

SCHEDULE A

AN ANNUAL DRAFT BUDGET AND SUPPORTING DOCUMENTATION OF EZINQOLENI MUNICIPALITY

DRAFT ANNUAL BUDGET OF

Ezingoleni Municipality



2014/2015

**MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS**

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Abbreviations and Acronyms

AMR	Automated Meter Reading	ℓ	litre
ASGISA	Accelerated and Shared Growth Initiative	LED	Local Economic Development
BPC	Budget Planning Committee	MEC	Member of the Executive Committee
CBD	Central Business District	MFMA	Municipal Financial Management Act Programme
CFO	Chief Financial Officer	MIG	Municipal Infrastructure Grant
CM	City Manager	MMC	Member of Mayoral Committee
CPI	Consumer Price Index	MPRA	Municipal Properties Rates Act
CRRF	Capital Replacement Reserve Fund	MSA	Municipal Systems Act
DBSA	Development Bank of South Africa	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity	NGO	Non-Governmental organisations
EEDSM	Energy Efficiency Demand Side Management	NKPIs	National Key Performance Indicators
EM	Executive Mayor	OHS	Occupational Health and Safety
FBS	Free basic services	OP	Operational Plan
GAMAP	Generally Accepted Municipal Accounting Practice	PBO	Public Benefit Organisations
GDP	Gross domestic product	PHC	Provincial Health Care
GDS	Gauteng Growth and Development Strategy	PMS	Performance Management System
GFS	Government Financial Statistics	PPE	Property Plant and Equipment
GRAP	General Recognised Accounting Practice	PPP	Public Private Partnership
HR	Human Resources	PTIS	Public Transport Infrastructure System
HSRC	Human Science Research Council	RG	Restructuring Grant
IDP	Integrated Development Strategy	RSC	Regional Services Council
IT	Information Technology	SALGA	South African Local Government Association
kl	kilolitre	SAPS	South African Police Service
km	kilometre	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator		
kWh	kilowatt		

Part 1 – Annual Budget

1. Mayor's Report

**SPEECH BY HIS WORSHIP THE MAYOR/SPEAKER OF EZINQOLENI MUNICIPALITY
ON THE OCCASION OF THE PRESENTATION OF REVENUE AND EXPENDITURE
ESTIMATES FOR THE 2014/15 FINANCIAL YEAR, COUNCIL CHAMBERS.**

26 March 2014

Leaders of political parties represented on our Council;

Fellow Councillors;

Municipal Manager Mr. MN Mabece

Senior Managers

Members of staff;

Members of the media

Ladies and Gentlemen:

The council has developed programmes that sought to respect, protect, promote, and fulfil the rights of residents as outlined in the Bill of Rights. We developed, funded and implemented these programmes and plans to, among other things, deal with the challenges of poverty and unemployment. These challenges, together with the need to address the racial and gender imbalances that continue to characterise the communities we serve and the need to achieve the related goals of national reconciliation, building of better and sustainable communities and social transformation.

The Medium Term Revenue and Expenditure Framework we present outline the Municipality's revenue and expenditure plans for the next three years. It especially explains how funds will be spent in order to deliver sustainable services to the community. The Medium Term Revenue and Expenditure Framework is therefore designed to provide a general overview of Municipality's finances and demonstrate its responsibility for the monies it receives.

The goal of the Medium Term Revenue and Expenditure Framework is to build a better life for all the people within Ezingoleni Municipal area of jurisdiction. The Medium Term Revenue and Expenditure Framework takes into account the long-term financial planning strategy of UGU District Municipality and is in line with its process of continuous improvement. This Budget has taken into account the views and comments of the public that was taken during the consultation process that was undertaken throughout Municipal area and the comments from the Provincial Treasury as the budget document was submitted to Provincial and National Treasury.

The entire budget process is directed by Section 21 of the Municipal Finance Management Act, No. 56 of 2003 which makes it incumbent on the Mayor to take responsibility for co-ordinating the preparation of the Medium Term Revenue and Expenditure Framework and the review of the Integrated Development Plan and budget-related policies. The Municipal Manager, the Chief Financial Officer, the Budget Steering Committee and the Budget and Treasury Office assist the Mayor in developing and implementing the budget process. Ezinqoleni Municipality does not have municipal entities and however we contribute to UGU South Coast Tourism.

In the preparation of the Medium Term Revenue and Expenditure Framework the following factors were taken into account:

- The need to produce a balanced and credible Budget
- The challenge of delivering quality services
- Cost increases
- Tariff increases
- Debt recovery
- Asset management
- Borrowing levels

During the process of preparing the Medium Term Revenue and Expenditure Framework we were cognisant of the fact that tough decisions are necessary to ensure that Ezinqoleni Municipality successfully delivers on its programmes. This was necessitated by the challenges we face as a Municipality which include, but are not limited to the following:

- High service demands
- Strict budgetary controls
- Staff shortages
- High levels of poverty and unemployment
- Capital spending pressures to eradicate infrastructure backlogs

As a result of constraints on revenue, priority was given to protecting the poor from the worst impacts of the economic downturn, expediting spending on capital projects that are funded by conditional grants, supporting meaningful LED initiatives, especially those that encourage job creation and urgent repairs and maintenance necessary for Ezinqoleni Municipality.

The inflation rate used for calculating salary and wage increases for all employees, excluding Section 57 employees, is as per 6.79 per cent cost of living increase.

The following priorities have been incorporated into the MTREF 2014/2015 to 2016/2017 and underpinning the Medium Term Revenue and Expenditure Framework as identified by the President of the Republic, His Excellency JG Zuma, during the State of the Nation Address and the subsequent National Budget review in February 2014. In terms of the foregoing local government has an obligation to:

- Education
- Rural Development
- Improving the status of woman
- Criminal investigation
- Prioritise and shift resources

- Hold all staff members accountable, especially political office bearers
- Move towards effective implementation and decisive action, rather than debate
- Deliver increased and improved services in an efficient and caring manner

The National Budget Review 2014 state that local government must:

- Re-prioritise the budget and ensure that monies are moved from low-priority programmes to high-priority programmes
- Implement a new way of working to successfully deliver more services, efficiently, within a tight resource envelope
- Inculcate a performance culture, where people are held responsible for their actions
- Enforce clear and measurable outcomes that are related to key development priorities

The Medium Term Revenue and Expenditure Framework and the Integrated Development Plan are aligned with the KZN Provincial Growth and Development Strategy which strategy involves:

- Strengthening and building government to facilitate sustainable development, public participation in decision-making, implement performance-driven transformation and co-operative governance
- Improve and expand basic service delivery for a better quality of life for all
- Implement economic programmes to raise investments, increase exports and capitalise on provincial resources, strengths and synergies
- Create programmes to increase employment opportunities, access to finance, human capacity and skills development, that also addresses the challenges of the second economy
- Reduce poverty and increase vulnerable groups' access to social security nets and services
- Comprehensively address the spread of HIV/AIDS pandemic and the associated economic and social impacts
- To manage, preserve and enhance the natural environment and comprehensively address an environmental management system for sustainable development.
- Over the past 20 years, government has overseen a large expansion of public health care, education, housing, and basic services such as water, NDP recommends that responsibility for housing should shift to municipal Level.
 - To receive integrated city development grant, municipalities must submit built environment plans electricity, sanitation and solid waste removal.
 - Despite these achievements, much still needs to be done to eliminate poverty and reduce inequality. Weaknesses in capacity and performance are most pronounced in historically disadvantaged areas, where state intervention is most needed to improve people's quality of life.
 - South Africa can realise the goals of the NDP by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society.
 - The division of revenue for the next three years promotes these objectives.

Ezinqoleni Municipality is one of the municipalities that make up the family of Ugu municipalities. Accordingly, the Medium Term Revenue and Expenditure Framework and the IDP have taken the strategic goals of the Ugu IDP into consideration, which include,

- Promoting investment and development
- Introducing incentives that attract development initiatives
- Establishing and promoting PPPs
- Preserving and protecting the natural environment
- Promoting cultural, community-based tourism and integrated tourism development
- Establishing co-operatives that maximise economic opportunities in the agricultural sector.

The Medium Term Revenue and Expenditure Framework is also informed by the following key IDP projects for the next 5 years:

- Planning and Development for Light Industry Development
- National Development Plan
- Implementation of the Land Use Management Systems (LUMS)
- Geographical Information Systems (GIS) Implementation (Phase 2)
- Development of the Ezinqoleni CBD Urban Design Framework
- Integrated Waste Management Project
- Development of a “Greening Ezinqoleni” Plan

I am pleased to report that Ezinqoleni Municipality continued to service its community and the construction of infrastructure. We are currently in the construction of a Sport field in ward 1 with an estimated cost of R 3.1 Million and also appointed contractors for the construction of 4 causeways and 4 access roads. We are now going to do away with the construction of gravel roads and start to construct tar roads.

The Medium Term Revenue and Expenditure Framework 2014/15 – 2016/17 that is presented today is made up as follows:

- The Total Budget amounts to R57, 5 million. This represents a 4.3 percentage increase compared to the 2014/15 Budget which stood at R53.2 million
- The Operating Expenditure amounts to R42.1 million. This represents a 5.7 percentage increase compared to the 2014/15 budget which amounted to R39, 7 million
- The Operating Budget reflects an overall surplus on operations of R 15.4 million
- The Capital Expenditure amounts to R 16.2 million. In the 2014/15 budget this amounted to R 18.1 million. In percentage terms this represents a 11 percentage decrease.

The Budget will be expended as follows:

- R700 thousand for LED projects.
- For Municipal Services an amount of R425 thousand is budgeted for the upgrade to the Refuse Removal services.
- Maintenance of roads amounts to R800 thousands
- Student support amounts R450 thousands

Other key items of the Municipal Services Capital Budget include:

	BUDGET
Access Roads	R 13 987 000
Maintenance of Facilities	R 250 000
Streetlights	R 100 000

The Civil Engineering budget of R 13.9 million will fund the improvement of

The Asset Management Committee held meetings during the current financial year. The Municipality recently undertook an extensive asset verification process. It must also be noted that, in accordance with the relevant regulations, the Fixed Asset Management Policy of Ezinqoleni is reviewed annually.

As part of the maintenance database for the poor, the indigent is reviewed annually. At present, all indigent customers qualify for free basic electricity. Indigent Support is financed from the Equitable Share grant funding. Ezinqoleni Municipality has an Indigent Policy in place, which also states that all indigent customers are required to register each year for free basic services. Application forms are available at Municipal Offices.

The Capital Budget focuses on the IDP objectives and Municipality's infrastructure needs. Due to limited resources the Municipality has to prioritise its spending.

For the three year period Capital Expenditure amounts to:

2014/15	2015/16	2016/17
R 16.2 million	R 20.5 million	R 20.1 million

The Capital Budget comprises of:

	2014/2015	2015/2016	2016/2017
	R	R	R
Executive and Council	88 000	150 000	175 000
Budget and Treasury Office	88 000	150 000	175 000
Corporate Services	838 000	650 000	675 000
Technical & Community Services	15 275 000	19 614 000	19 096 000

The projected financing sources of the Capital Budget for the period of the draft MTREF consist of:

	2014/2015	2015/2016	2016/2017
	R	R	R
Internal	2 300 000	6 100 000	5 200 000
External			
Grants	13 987 000	14 464 000	14 921 000

The total planned Capital Expenditure over the Medium Term Revenue and Expenditure Framework amounts to over R 56.9 million.

In conclusion, let us continue the mandate we accepted on accepting the nomination and election into the positions we were placed in with our people of ezinqoleni.

I firmly believe that I speak on behalf of all the Councillors in thanking the Municipal Manager and his administration for the support they have given us. Let me also thank, on behalf of all of us, members of the public we serve and all the stakeholders, for the privilege they have accorded us to preside over their affairs.

As the council of Ezinqoleni we will continue to craft policies, programmes and plans that will assist us to achieve the noble goal of a better life for all. Whatever the odds, we remain undeterred in our strategic objective to build sustainable and better communities. Together with our people we will make local government work better for all of us.

It is my honour and privilege to present to you the Medium Term Revenue and Expenditure Framework and the Integrated Development Plan.

Thank you.

2. Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality is grants dependent and it is 100% rural with high poverty and very low employment rates. The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes as to maintain sound financial stewardship.

National Treasury's MFMA Circular No. 70 and 72 were used to guide the compilation of the 2014/2015 MTREF.

The main challenges experienced during the compilation of the 2014/15 MTREF can be summarized as follows:

1. The ongoing difficulties in the national and local economy;
2. Lack and poorly maintained roads infrastructure;
3. The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities;
4. Dependency on government grants;
5. Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
6. Affordability of capital projects;

3. Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2014/2015 budget and MTREF as noted by the Council. Each table is accompanied by *explanatory notes*.

Table 1 MBRR Table A1 – Budget Summary

KZN215 Ezinqoleni - Table A1 Budget Summary

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands										
Financial Performance										
Property rates	438	672	769	874	2,884	2,884	–	3,080	3,265	3,460
Service charges	–	–	–	–	–	–	–	–	–	–
Investment revenue	858	1,070	1,020	933	1,205	1,205	–	1,029	1,200	1,400
Transfers recognised - operational	26,129	27,110	31,206	33,654	33,804	33,804	–	39,097	46,924	47,849
Other own revenue	292	705	504	412	404	404	–	370	421	461
Total Revenue (excluding capital transfers and contributions)	27,718	29,558	33,498	35,873	38,297	38,297	–	43,576	51,809	53,170
Employee costs	6,982	8,055	10,201	12,544	12,193	12,193	–	13,435	14,295	15,210
Remuneration of councillors	2,135	2,445	2,814	2,950	2,990	2,990	–	3,176	3,379	3,595
Depreciation & asset impairment	2,310	3,733	11,462	3,613	9,000	9,000	–	7,250	7,613	7,993
Finance charges	55	32	15	55	55	55	–	50	55	61
Materials and bulk purchases	–	–	–	–	–	–	–	–	–	–
Transfers and grants	674	707	400	1,463	1,313	1,313	–	775	853	938
Other expenditure	12,602	10,229	11,478	12,948	14,151	14,151	–	17,425	17,725	19,595
Total Expenditure	24,759	25,202	36,369	33,573	39,702	39,702	–	42,111	43,919	47,391
Surplus/(Deficit)	2,959	4,356	(2,871)	2,300	(1,405)	(1,405)	–	1,465	7,890	5,778
Transfers recognised - capital	7,327	15,645	14,548	13,474	15,049	15,049	–	13,987	14,464	14,921
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	10,286	20,001	11,677	15,774	13,644	13,644	–	15,452	22,354	20,699
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	10,286	20,001	11,677	15,774	13,644	13,644	–	15,452	22,354	20,699
Capital expenditure & funds sources										
Capital expenditure	6,398	14,482	12,741	17,325	18,109	18,109	–	16,287	20,564	20,121
Transfers recognised - capital	12,863	11,125	13,496	13,474	15,049	15,049	–	13,987	14,464	14,921
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	305	3,357	–	3,851	3,060	3,060	–	2,300	6,100	5,200
Total sources of capital funds	13,168	14,482	13,496	17,325	18,109	18,109	–	16,287	20,564	20,121
Financial position										
Total current assets	22,144	22,754	31,300	28,001	29,378	29,378	29,378	42,135	57,767	72,958
Total non current assets	31,188	56,257	71,584	67,007	72,820	72,820	72,820	80,982	92,845	103,906
Total current liabilities	16,021	7,668	6,110	2,661	2,635	2,635	2,635	4,410	5,085	5,428
Total non current liabilities	532	251	1,465	235	235	235	235	1,134	1,248	1,372
Community wealth/Equity	36,779	71,092	95,241	92,107	102,198	102,198	102,198	117,573	144,279	170,063
Cash flows										
Net cash from (used) operating	18,290	16,002	21,442	21,258	23,407	23,407	–	27,616	35,116	34,253
Net cash from (used) investing	(7,160)	(14,482)	(13,308)	(16,979)	(17,747)	(17,747)	–	(15,473)	(19,536)	(19,115)
Net cash from (used) financing	(146)	(104)	(30)	(27)	(27)	(27)	–	–	–	–
Cash/cash equivalents at the year end	18,343	19,759	27,863	27,792	29,173	29,173	23,540	41,316	56,897	72,034
Cash backing/surplus reconciliation										
Cash and investments available	18,343	19,759	27,862	27,796	29,173	29,173	29,173	41,316	56,897	72,034
Application of cash and investments	7,881	(8,986)	(5,553)	2,477	2,482	2,482	2,000	3,796	4,432	4,735
Balance - surplus (shortfall)	10,462	28,745	33,415	25,319	26,691	26,691	27,173	37,520	52,465	67,299
Asset management										
Asset register summary (WDV)	31,188	56,257	71,584	67,007	67,098	67,098	80,982	80,982	103,846	123,906
Depreciation & asset impairment	2,310	3,733	11,462	3,613	9,000	9,000	7,250	7,250	7,613	7,993
Renewal of Existing Assets	–	–	–	2,026	–	–	–	–	–	–
Repairs and Maintenance	603	699	723	1,375	1,515	1,515	930	930	1,043	1,123
Free services										
Cost of Free Basic Services provided	634	665	341	1,200	1,200	1,200	1,272	1,272	1,347	1,347
Revenue cost of free services provided	634	665	1,000	1,200	1,200	1,200	1,272	1,272	1,347	1,347
Households below minimum service level										
Water:	1	1	1	1	1	1	2	2	2	2
Sanitation/sewerage:	4	3	2	1	1	1	1	1	1	1
Energy:	3	2	1	1	1	1	1	1	0	0
Refuse:	11	11	12	11	11	11	12	12	12	12

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts noted by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 1. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 2. Capital expenditure is balanced by capital funding sources, of which
 1. Transfers recognised is reflected on the Financial Performance Budget;
 2. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 3. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was able to manage this aspect of its finances, and consequently its obligations are cash-backed.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor.

Table 2 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**KZN215 Ezinqoleni - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)**

Standard Classification Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		23,313	28,458	33,498	27,519	39,251	39,251	41,635	51,021	52,112
Executive and council		318	1,714	238	3,472	-	-	-	-	-
Budget and treasury office		4,817	26,601	31,148	8,553	36,266	36,266	41,399	50,753	51,822
Corporate services		18,179	143	2,111	15,494	2,985	2,985	236	268	290
<i>Community and public safety</i>		12,751	16,565	-	634	642	642	1,941	789	1,058
Community and social services		12,751	16,565	-	634	642	642	1,714	699	956
Sport and recreation		-	-	-	-	-	-	150	-	-
Public safety		-	-	-	-	-	-	77	90	102
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	14,548	21,193	13,474	13,474	13,987	14,464	14,921
Planning and development		-	-	-	7,719	-	-	-	-	-
Road transport		-	-	14,548	13,474	13,474	13,474	13,987	14,464	14,921
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	36,064	45,023	48,045	49,346	53,367	53,367	57,563	66,273	68,091
Expenditure - Standard										
<i>Governance and administration</i>		17,679	21,934	31,842	26,066	35,829	35,829	32,792	35,142	37,678
Executive and council		1,736	4,677	4,170	660	2,575	2,575	6,914	7,453	8,037
Budget and treasury office		5,356	7,523	13,480	8,061	14,555	14,555	16,796	17,914	19,118
Corporate services		10,587	9,734	14,191	17,345	18,699	18,699	9,083	9,775	10,523
<i>Community and public safety</i>		7,749	2,653	797	5,100	2,010	2,010	3,124	2,250	2,662
Community and social services		7,749	2,653	505	4,490	1,730	1,730	2,774	1,865	2,239
Sport and recreation		-	-	284	250	220	220	250	275	303
Public safety		-	-	8	360	60	60	100	110	121
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		350	436	3,287	1,944	1,400	1,400	5,694	5,977	6,446
Planning and development		-	-	540	650	600	600	700	770	847
Road transport		350	436	2,748	1,294	800	800	4,994	5,207	5,599
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	384	400	400	400	425	468	514
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	384	400	400	400	425	468	514
<i>Other</i>	4	-	-	58	63	63	63	75	83	91
Total Expenditure - Standard	3	25,778	25,023	36,368	33,573	39,702	39,702	42,111	43,919	47,391
Surplus/(Deficit) for the year		10,286	20,000	11,677	15,773	13,665	13,665	15,452	22,354	20,700

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.

Table 3 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

KZN215 Ezinqoleni - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
Revenue by Vote	1									
Vote 1 - Executive and Council		318	1,714	238	3,472	-	-	-	-	-
Vote 2 - Budget and Treasury Office		4,817	26,601	31,148	8,553	36,266	36,266	41,399	50,753	51,822
Vote 3 - Corporate Services		18,179	143	52	17,535	259	259	236	268	290
Vote 4 - Technical and Community Services		12,751	16,565	16,607	19,787	16,840	16,840	15,928	15,252	15,979
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	36,064	45,023	48,045	49,347	53,365	53,365	57,563	66,273	68,091
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council		1,736	4,677	5,058	3,289	3,074	3,074	8,049	8,702	9,410
Vote 2 - Budget and Treasury Office		5,356	7,523	13,484	8,061	14,555	14,555	16,796	17,914	19,118
Vote 3 - Corporate Services		10,587	9,734	14,188	17,509	17,249	17,249	9,083	9,775	10,523
Vote 4 - Technical and Community Services		8,099	3,090	3,638	4,714	4,824	4,824	8,183	7,529	8,340
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	25,778	25,024	36,368	33,573	39,702	39,702	42,111	43,920	47,391
Surplus/(Deficit) for the year	2	10,286	20,000	11,677	15,774	13,663	13,663	15,452	22,353	20,700

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote. The following table is an analysis of the surplus or deficit for the electricity and water trading services.

Table4 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

KZN215 Ezinqoleni - Table A4 Budgeted Financial Performance (revenue and expenditure)

KZN215 Ezinqolweni - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1										
Revenue By Source											
Property rates	2	438	672	769	874	2,884	2,884	–	3,080	3,265	3,460
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - other											
Rental of facilities and equipment		11	24	5	21	8	8		15	17	19
Interest earned - external investments		858	1,070	1,020	933	1,205	1,205		1,029	1,200	1,400
Interest earned - outstanding debtors						82	82		55	60	65
Dividends received											
Fines		0									
Licences and permits											
Agency services											
Transfers recognised - operational		26,129	27,110	31,206	33,654	33,804	33,804		39,097	46,924	47,849
Other revenue	2	280	681	499	391	314	314	–	300	344	377
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		27,718	29,558	33,498	35,873	38,297	38,297	–	43,576	51,809	53,170
Expenditure By Type											
Employee related costs	2	6,982	8,055	10,201	12,544	12,193	12,193	–	13,435	14,295	15,210
Remuneration of councillors		2,135	2,445	2,814	2,950	2,990	2,990		3,176	3,379	3,595
Debt impairment		(229)	23		65	65	65		150	165	182
Depreciation & asset impairment	2	2,310	3,733	11,462	3,613	9,000	9,000	–	7,250	7,613	7,993
Finance charges		55	32	15	55	55	55		50	55	61
Bulk purchases	2	–	–	–	–	–	–	–	–	–	–
Other materials	8	–	–	–	–	–	–	–	–	–	–
Contracted services		424	375	849	632	602	602	–	2,477	2,725	2,997
Transfers and grants		674	707	400	1,463	1,313	1,313	–	775	853	938
Other expenditure	4, 5	12,389	9,831	10,628	12,251	13,484	13,484	–	14,798	14,836	16,416
Loss on disposal of PPE		18									
Total Expenditure		24,759	25,202	36,369	33,573	39,702	39,702	–	42,111	43,919	47,391
Surplus/(Deficit)		2,959	4,356	(2,871)	2,300	(1,405)	(1,405)	–	1,465	7,890	5,778
Transfers recognised - capital		7,327	15,645	14,548	13,474	15,049	15,049		13,987	14,464	14,921
Contributions recognised - capital	6	–	–	–	–	–	–	–	–	–	–
Contributed assets		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		10,286	20,001	11,677	15,774	13,644	13,644	–	15,452	22,354	20,699
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		10,286	20,001	11,677	15,774	13,644	13,644	–	15,452	22,354	20,699
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		10,286	20,001	11,677	15,774	13,644	13,644	–	15,452	22,354	20,699
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		10,286	20,001	11,677	15,774	13,644	13,644	–	15,452	22,354	20,699

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R57.5 million in 2014/2015 and escalates to R 134.3million by 2016/17.
2. Revenue to be generated from property rates is R 3 million in the 2014/15 financial year and increases to R 3.2 million by 2015/16 which represents only 7 per cent of the operating revenue base of the Municipality and therefore remains an insignificant funding source for the municipality.
3. Transfers recognized – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF. Government grants are the main sources of the municipality's revenue since it totals to 95% which makes our municipality grants dependent.

Table 5 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

KZN215 Ezingoleni - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure, to be appropriated	2										
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Technical and Community Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure, to be appropriated	2										
Vote 1 - Executive and Council		250	74	-	115	110	110	-	88	150	175
Vote 2 - Budget and Treasury Office		129	29	-	95	282	282	-	88	150	175
Vote 3 - Corporate Services		604	62	-	945	610	610	-	838	650	675
Vote 4 - Technical and Community Services		5,414	14,317	-	16,170	17,107	17,107	-	15,275	19,614	19,096
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		6,397	14,482	-	17,325	18,109	18,109	-	16,287	20,564	20,121
Total Capital Expenditure - Vote		6,397	14,482	-	17,325	18,109	18,109	-	16,287	20,564	20,121
Capital Expenditure - Standard											
Governance and administration		983	165	535	1,155	1,002	1,002	-	1,013	950	1,025
Executive and council		250	74	148	115	110	110	-	88	150	175
Budget and treasury office		129	29	249	95	282	282	-	88	150	175
Corporate services		604	62	138	945	610	610	-	838	650	675
Community and public safety		5,122	11,545	6,163	2,551	4,633	4,633	-	1,200	5,000	4,000
Community and social services		5,122	2,832	6,163	500	1,533	1,533	-	1,200	-	-
Sport and recreation		-	8,713	-	2,051	3,100	3,100	-	-	5,000	4,000
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		292	2,772	6,042	13,619	12,474	12,474	-	13,987	14,464	14,921
Planning and development		175	24	-	145	-	-	-	-	-	-
Road transport		117	2,748	6,042	13,474	12,474	12,474	-	13,987	14,464	14,921
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	88	150	175
Total Capital Expenditure - Standard	3	6,398	14,482	12,741	17,325	18,109	18,109	-	16,287	20,564	20,121
Funded by:											
National Government		7,511	11,125	13,496	13,474	13,474	13,474	-	13,987	14,464	14,921
Provincial Government		5,352	-	-	-	1,575	1,575	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	12,863	11,125	13,496	13,474	15,049	15,049	-	13,987	14,464	14,921
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		305	3,357	-	3,851	3,060	3,060	-	2,300	6,100	5,200
Total Capital Funding	7	13,168	14,482	13,496	17,325	18,109	18,109	-	16,287	20,564	20,121

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations there is no budget allocated since the municipality does not have multi-year capital projects.
3. Single-year capital expenditure has been appropriated at R16.2 million for the 2014/15 financial year and increased over the MTREF at levels of R20.5 million and R20.1 million respectively for the two outer years.
4. The single-year appropriations relate to expenditure that will be incurred in the specific budget year such as construction of access roads, construction of a sport fields, construction of community halls, procurement of vehicles, plant and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
5. The capital programme is funded from capital and national grants and transfers and internally generated funds from current year surpluses. For 2014/15, capital transfers totals R13,9 million and increases to R14, 4 million by 2015/16.

Table 6 MBRR Table A6 - Budgeted Financial Position**KZN215 Ezinqoleni - Table A6 Budgeted Financial Position**

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
ASSETS											
Current assets											
Cash		8,939	9,168	24,125	11,067	12,444	12,444	12,444	16,526	22,759	28,814
Call investment deposits	1	9,404	10,591	3,738	16,729	16,729	16,729	16,729	24,790	34,138	43,220
Consumer debtors	1	151	300	345	205	205	205	205	620	651	683
Other debtors		3,649	2,695	3,093					199	219	241
Current portion of long-term receivables											
Inventory	2										
Total current assets		22,144	22,754	31,300	28,001	29,378	29,378	29,378	42,135	57,767	72,958
Non current assets											
Long-term receivables											
Investments											
Investment property											
Investment in Associate											
Property, plant and equipment	3	30,917	56,077	71,464	66,855	72,577	72,577	72,577	80,800	92,723	103,845
Agricultural											
Biological											
Intangible		271	180	120	152	243	243	243	182	122	61
Other non-current assets											
Total non current assets		31,188	56,257	71,584	67,007	72,820	72,820	72,820	80,982	92,845	103,906
TOTAL ASSETS		53,332	79,012	102,884	95,008	102,198	102,198	102,198	123,117	150,612	176,864
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	-	-	27	27	-	-	-	-	-	-
Consumer deposits											
Trade and other payables	4	16,021	7,668	6,151	2,000	2,000	2,000	2,000	4,049	4,700	5,019
Provisions					635	635	635	635	362	385	409
Total current liabilities		16,021	7,668	6,178	2,661	2,635	2,635	2,635	4,410	5,085	5,428
Non current liabilities											
Borrowing		123	32	-	-	-	-	-	-	-	-
Provisions		409	219	1,465	235	235	235	235	1,134	1,248	1,372
Total non current liabilities		532	251	1,465	235	235	235	235	1,134	1,248	1,372
TOTAL LIABILITIES		16,553	7,919	7,643	2,896	2,870	2,870	2,870	5,544	6,332	6,800
NET ASSETS	5	36,779	71,092	95,241	92,112	99,329	99,329	99,329	117,573	144,279	170,063
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		36,779	71,092	95,241	92,107	102,198	102,198	102,198	117,573	144,279	170,063
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	36,779	71,092	95,241	92,107	102,198	102,198	102,198	117,573	144,279	170,063

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table SA3 is supported by an extensive table of notes providing a detailed analysis of the major components of a number of items, including:
 1. Call investments deposits;
 1. Consumer debtors;
 2. Property, plant and equipment;
 3. Trade and other payables;
 4. Provisions non -current;
 5. Changes in net assets; and
 6. Reserves
7. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
8. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 7MBRR Table A7 - Budgeted Cash Flow Statement**KZN215 Ezingoleni - Table A7 Budgeted Cash Flows**

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		1,564	7,660	4,331	989	2,457	2,457		2,588	2,765	2,941
Government - operating	1	28,602	26,339	28,912	33,654	33,804	33,804		39,097	46,924	47,849
Government - capital	1	12,863	11,125	14,021	13,474	15,049	15,049		13,987	14,464	14,921
Interest		858	1,070	1,020	933	1,205	1,205		1,029	1,200	1,400
Dividends											
Payments											
Suppliers and employees		(25,502)	(30,119)	(26,827)	(26,493)	(27,806)	(27,806)		(28,435)	(29,521)	(32,071)
Finance charges		(55)	(32)	(15)	(55)	(55)	(55)		(50)	(55)	(61)
Transfers and Grants	1	(40)	(42)		(1,244)	(1,247)	(1,247)		(600)	(660)	(726)
NET CASH FROM/(USED) OPERATING ACTIVITIES		18,290	16,002	21,442	21,258	23,407	23,407	-	27,616	35,116	34,253
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE											
Decrease (Increase) in non-current debtors											
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments											
Payments											
Capital assets		(7,160)	(14,482)	(13,308)	(16,979)	(17,747)	(17,747)		(15,473)	(19,536)	(19,115)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(7,160)	(14,482)	(13,308)	(16,979)	(17,747)	(17,747)	-	(15,473)	(19,536)	(19,115)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits											
Payments											
Repayment of borrowing		(146)	(104)	(30)	(27)	(27)	(27)				
NET CASH FROM/(USED) FINANCING ACTIVITIES		(146)	(104)	(30)	(27)	(27)	(27)	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD											
		10,984	1,416	8,103	4,252	5,633	5,633	-	12,143	15,580	15,138
Cash/cash equivalents at the year begin:	2	7,359	18,343	19,759	23,540	23,540	23,540	23,540	29,173	41,316	56,897
Cash/cash equivalents at the year end:	2	18,343	19,759	27,863	27,792	29,173	29,173	23,540	41,316	56,897	72,034

Table 8 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**KZN215 Ezingoleni - Table A8 Cash backed reserves/accumulated surplus reconciliation**

KENYA ELECTRICITY TRANSMISSION CORPORATION - Table A0 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	18,343	19,759	27,863	27,792	29,173	29,173	23,540	41,316	56,897	72,034
Other current investments > 90 days		(0)	(0)	(0)	4	-	-	5,633	(0)	0	(0)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		18,343	19,759	27,862	27,796	29,173	29,173	29,173	41,316	56,897	72,034
Application of cash and investments											
Unspent conditional transfers		13,122	4,492	2,186	159	159	159	159	126	132	359
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(5,241)	(13,479)	(7,739)	1,683	1,688	1,688	1,841	3,309	3,915	3,967
Other provisions					635	635	635		362	385	409
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		7,881	(8,986)	(5,553)	2,477	2,482	2,482	2,000	3,796	4,432	4,735
Surplus(shortfall)		10,462	28,745	33,415	25,319	26,691	26,691	27,173	37,520	52,465	67,299

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the cash levels of the Municipality improved over the MTREF and prior years.
4. The 2014/15 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the table it can be seen that for the municipality is operating at a surplus.
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2014/15 MTREF was funded.
7. As part of the budgeting and planning guidelines that informed the compilation of the 2014/15 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

Table 9 MBRR Table A9 - Asset Management

KZN215 Ezinqoleni - Table A9 Asset Management

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
CAPITAL EXPENDITURE											
<u>Total New Assets</u>		1	6,397	14,481	–	15,299	17,556	17,556	16,287	20,564	20,121
Infrastructure - Road transport			822	2,747	–	13,474	12,474	12,474	13,987	14,464	14,921
Infrastructure - Electricity			–	–	–	–	–	–	–	–	–
Infrastructure - Water			–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation			–	–	–	–	–	–	–	–	–
Infrastructure - Other			–	–	–	–	–	–	–	–	–
Infrastructure			822	2,747	–	13,474	12,474	12,474	13,987	14,464	14,921
Community			5,372	11,396	–	525	3,100	3,100	–	5,000	4,000
Heritage assets			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets		6	129	339	–	1,300	1,830	1,830	2,300	1,100	1,200
Agricultural Assets			–	–	–	–	–	–	–	–	–
Biological assets			–	–	–	–	–	–	–	–	–
Intangibles			75	–	–	–	152	152	–	–	–
<u>Total Renewal of Existing Assets</u>		2	–	–	–	2,026	–	–	–	–	–
Infrastructure - Road transport			–	–	–	–	–	–	–	–	–
Infrastructure - Electricity			–	–	–	–	–	–	–	–	–
Infrastructure - Water			–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation			–	–	–	–	–	–	–	–	–
Infrastructure - Other			–	–	–	–	–	–	–	–	–
Infrastructure			–	–	–	–	–	–	–	–	–
Community			–	–	–	2,026	–	–	–	–	–
Heritage assets			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets		6	–	–	–	–	–	–	–	–	–
Agricultural Assets			–	–	–	–	–	–	–	–	–
Biological assets			–	–	–	–	–	–	–	–	–
Intangibles			–	–	–	–	–	–	–	–	–
<u>Total Capital Expenditure</u>		4	822	2,747	–	13,474	12,474	12,474	13,987	14,464	14,921
Infrastructure - Road transport			822	2,747	–	13,474	12,474	12,474	13,987	14,464	14,921
Infrastructure - Electricity			–	–	–	–	–	–	–	–	–
Infrastructure - Water			–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation			–	–	–	–	–	–	–	–	–
Infrastructure - Other			–	–	–	–	–	–	–	–	–
Infrastructure			822	2,747	–	13,474	12,474	12,474	13,987	14,464	14,921
Community			5,372	11,396	–	2,551	3,100	3,100	–	5,000	4,000
Heritage assets			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets			129	339	–	1,300	1,830	1,830	2,300	1,100	1,200
Agricultural Assets			–	–	–	–	–	–	–	–	–
Biological assets			–	–	–	–	–	–	–	–	–
Intangibles			75	–	–	–	152	152	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class		2	6,397	14,481	–	17,325	17,556	17,556	16,287	20,564	20,121
ASSET REGISTER SUMMARY - PPE (WDV)		5									
Infrastructure - Road transport			12,733	17,149	29,636	44,746	44,746	44,746	58,751	73,215	88,136
Infrastructure - Electricity			–	–	–	–	–	–	–	–	–
Infrastructure - Water			–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation			–	–	–	–	–	–	–	–	–
Infrastructure - Other			–	–	–	–	–	–	–	–	–
Infrastructure			12,733	17,149	29,636	44,746	44,746	44,746	58,751	73,215	88,136
Community			15,282	36,421	39,481	14,242	14,242	14,242	14,242	19,242	23,242
Heritage assets			48	48	–	48	48	48	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets			2,854	2,459	2,346	7,819	7,819	7,819	7,807	11,267	12,467
Agricultural Assets			–	–	–	–	–	–	–	–	–
Biological assets			–	–	–	–	–	–	–	–	–
Intangibles			271	180	120	152	243	243	182	122	61
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)		5	31,188	56,257	71,584	67,007	67,098	67,098	80,982	103,846	123,906
EXPENDITURE OTHER ITEMS											
<u>Depreciation & asset impairment</u>			2,310	3,733	11,462	3,613	9,000	9,000	7,250	7,613	7,993
<u>Repairs and Maintenance by Asset Class</u>			603	699	723	1,375	1,515	1,515	930	1,043	1,123
Infrastructure - Road transport			350	436	723	800	800	800	–	–	–
Infrastructure - Electricity			–	–	–	60	60	60	–	–	–
Infrastructure - Water			–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation			–	–	–	–	–	–	–	–	–
Infrastructure - Other			–	–	–	–	–	–	–	–	–
Infrastructure			350	436	723	860	860	860	–	–	–
Community			33	35	–	140	100	100	350	405	418
Heritage assets			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets		6, 7	219	228	–	375	555	555	580	638	705
TOTAL EXPENDITURE OTHER ITEMS			2,912	4,433	12,185	4,988	10,515	10,515	8,180	8,656	9,116
Renewal of Existing Assets as % of total capex			0.0%	0.0%	0.0%	11.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"			0.0%	0.0%	0.0%	56.1%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE			1.9%	1.2%	1.0%	2.1%	2.1%	2.1%	1.2%	1.1%	1.1%
Renewal and R&M as a % of PPE			2.0%	1.0%	1.0%	5.0%	2.0%	2.0%	1.0%	1.0%	1.0%

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. However due to the fact that there is a lack of infrastructure in the municipality, it does not meet the recommendation.

Table 10 MBRR Table A10 - Basic Service Delivery Measurement

KZN215 Ezingoleni - Table A10 Basic service delivery measurement

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Household service targets	1									
Water:										
Piped water inside dwelling		571	780	788	791	791	791	795	799	799
Piped water inside yard (but not in dwelling)		1,142	941	960	975	975	975	990	1,005	1,005
Using public tap (at least min.service level)	2	7,991	8,030	7,850	7,791	7,791	7,791	7,733	7,675	7,675
Other water supply (at least min.service level)	4	571	574	586	597	597	597	606	609	609
<i>Minimum Service Level and Above sub-total</i>		10,275	10,325	10,184	10,154	10,154	10,154	10,124	10,088	10,088
Using public tap (< min.service level)	3	342	344	351	381	381	381	410	432	432
Other water supply (< min.service level)	4	228	229	234	260	260	260	325	385	385
No water supply		570	574	786	700	700	700	800	900	900
<i>Below Minimum Service Level sub-total</i>		1,140	1,147	1,371	1,341	1,341	1,341	1,535	1,717	1,717
Total number of households	5	11,415	11,472	11,555	11,495	11,495	11,495	11,659	11,805	11,805
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		228	379	60	251	251	251	257	266	266
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		7,600	8,300	9,000	10,000	10,000	10,000	10,500	11,000	11,000
Other toilet provisions (> min.service level)										
<i>Minimum Service Level and Above sub-total</i>		7,828	8,679	9,060	10,251	10,251	10,251	10,757	11,266	11,266
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		3,587	2,793	2,495	1,244	1,244	1,244	902	539	539
<i>Below Minimum Service Level sub-total</i>		3,587	2,793	2,495	1,244	1,244	1,244	902	539	539
Total number of households	5	11,415	11,472	11,555	11,495	11,495	11,495	11,659	11,805	11,805
Energy:										
Electricity (at least min.service level)		114	115	127	141	141	141	157	175	175
Electricity - prepaid (min.service level)		7,996	9,052	10,600	10,621	10,621	10,621	10,823	11,230	11,230
<i>Minimum Service Level and Above sub-total</i>		8,110	9,167	10,727	10,762	10,762	10,762	10,980	11,405	11,405
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		3,305	2,305	828	733	733	733	715	400	400
<i>Below Minimum Service Level sub-total</i>		3,305	2,305	828	733	733	733	715	400	400
Total number of households	5	11,415	11,472	11,555	11,495	11,495	11,495	11,695	11,805	11,805
Refuse:										
Removed at least once a week										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		161	161	161	161	161	161	161	161	161
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		10,912	10,937	11,050	11,054	11,054	11,054	11,279	11,404	11,404
Other rubbish disposal		114	115	115	100	100	100	80	85	85
No rubbish disposal		228	229	229	180	180	180	175	155	155
<i>Below Minimum Service Level sub-total</i>		11,415	11,442	11,555	11,495	11,495	11,495	11,695	11,805	11,805
Total number of households	5	11,415	11,442	11,555	11,495	11,495	11,495	11,695	11,805	11,805

Table 10 MBRR Table A10 - Basic Service Delivery Measurement (continued)

Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)										
Sanitation (free minimum level service)										
Electricity/other energy (50kwh per household per month)		426	426	426	450	490	490	600	635	700
Refuse (removed at least once a week)										
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)										
Sanitation (free sanitation service)										
Electricity/other energy (50kwh per household per month)		634	665	341	800	800	800	848	898	898
Refuse (removed once a week)					400	400	400	424	449	449
Total cost of FBS provided (minimum social package)		634	665	341	1,200	1,200	1,200	1,272	1,347	1,347
Highest level of free service provided										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)										
Property rates (other exemptions, reductions and rebates)										
Water										
Sanitation										
Electricity/other energy		634	665	1,000	800	800	800	848	898	898
Refuse					400	400	400	424	449	449
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6	634	665	1,000	1,200	1,200	1,200	1,272	1,347	1,347

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The municipality does not provide services such as water, sanitation, energy and refuse removal.
3. Water and sanitation is provided by Ugu District municipality, energy is supplied by Eskom.
4. Currently there is no refuse removal in the municipality.

Part 2 – Supporting Documentation

Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aim of the Budget Steering Committee is to ensure:

1. that the process followed to compile the budget complies with legislation and good budget practices;
2. that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
3. that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
4. that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2013) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule on 25 August 2013. Key dates applicable to the process were:

1. **July 2013** – Prepare joint process plan for IDP, PMS and Budget and advertise draft IDFP review;
2. **August 2013**–Submit process plan to IDP forum, portfolio committees and council. Liaise with national and provincial governments for planning and budgeting process;
3. **September 2013**– Assessment of objectives, strategies and projects against cross cutting issues. Assessment of alignment of IDP strategies & projects for medium term in relation to NSDP and PGDF. Determine funding availability & requirements per sector plan and where relevant prepare business plan/ terms of reference and roll out accordingly;
4. **October 2013** – Review and confirm objectives, strategies and projects at IDPRF workshop. Review capital, institutional, operational, maintenance projects. Estimate available resources and provide guidance for way forward for budgeting;

5. **November 2013**—Submit revised projects to Treasury. Submit first Draft IDP to IDP steering committee and council for in principle approval
6. **December 2013** – Submit budget instructions and 2014/15 budget framework to all relevant persons. Submit draft IDP to COGTA for assessment. Preparation of summary of available funds (internal and external);
7. **January 2014** - Council considers the 2013/2014 Mid-year Review and Adjustments Budget;
8. **February 2014**– Assess financial feasibility of proposed new projects based on existing and potential funds. Consideration of draft budget;
9. **March 2014**- Tabling in Council of the draft 2014/15 IDP and 2014/15 MTREF for public consultation;
10. **April 2014**– Public consultation;
11. **May 2014**—Finalisation of the 2014/15 IDP and 2014/15 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and tabling of the 2014/15 MTREF before Council for consideration and approval.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.

IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fifth revision cycle included the following key IDP processes and deliverables:

12. Registration of community needs;
13. Compilation of departmental business plans including key performance indicators and targets;
14. Financial planning and budgeting process;
15. Public participation process;
16. Compilation of the SDBIP, and
17. The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2014/15 MTREF, based on the approved 2013/14 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2014/15 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2013/14 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

Financial Modelling and Key Planning Drivers

As part of the compilation of the 2014/15 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2014/15 MTREF:

18. Municipality growth
19. Policy priorities and strategic objectives
20. Asset maintenance
21. Economic climate and trends (i.e. inflation)
22. Performance trends
23. The approved 2013/14 adjustments budget and performance against the SDBIP
24. Cash Flow Management Strategy
25. Debtor payment levels
26. Investment possibilities
27. The need for tariff increases versus the ability of the community to pay for services;
28. Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 70 and 72 has been taken into consideration in the planning and prioritisation process.

Community Consultation

The draft 2014/15 MTREF as tabled before Council on 26 March 2014 for community consultation has been published on the municipality's website, and hard copies has been made available at municipal offices and other community centres. In addition budget road shows will held in different municipal clusters. Inputs were also collected via suggestion box and e-mails.

All documents in the appropriate format (electronic and printed) will provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Ward Committees were utilised to facilitate the community consultation process during April. The applicable dates and venues were published in the local newspapers. Imbizo's will be held to further ensure transparency and interaction. Other stakeholders involved in the consultation will include churches, non-governmental institutions and community-based organisations.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects will addressed, and where relevant considered as part of the Draftisation of the 2014/15 MTREF.

Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality's strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

29. Green Paper on National Strategic Planning of 2009;
30. Government Programme of Action;
31. Development Facilitation Act of 1995;
32. Provincial Growth and Development Strategy (GGDS);
33. National and Provincial spatial development perspectives;
34. Relevant sector plans such as transportation, legislation and policy;
35. National Key Performance Indicators (NKPIs);
36. Accelerated and Shared Growth Initiative (ASGISA);
37. National 2014 Vision;
38. National Spatial Development Perspective (NSDP) and
39. The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's six strategic objectives for the 2014/15 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 11 IDP Strategic Objectives

2014/15 Financial Year	
1.	Financial Viability
2.	Basic Service delivery and infrastructure
3.	Good governance and public participation
4.	Local economic Development
5.	Municipal transformation and institutional development
6.	Spatial analysis and environmental management

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

The 2014/15 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 12MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

KZN215 Ezinqoleni - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand												
Promote and enhance fight against poverty	Eradication of Poverty						1,000	1,000	1,000	1,053	-	-
Ensure sustainable financial viability				2,000	2,290	2,300	2,540	2,540	2,540	2,734	2,917	3,118
Ensure alignment and intergration of strategies, programmes and projects				26,648	28,431	33,004	28,482	31,697	31,697	37,489	42,792	44,852
Advance and facilitate provision of sustainable and productive infrastructure				6,397	14,482	12,742	17,325	18,109	18,109	16,287	20,564	20,121

Table 13 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

KZN215 Ezinqoleni - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Promote tolerance, perseverance, participation in development	Improved Ward Committees			-	-	-	400	400	400	450	495	545
Support access to land and land tenure improvement	Land use management			-	-	-	-	-	-	300	330	363
Create a sustainable physical environment	Safety environment for all			267	326	384	400	400	400	425	468	514
Promote and enhance development planning spatial planning and land use management				50	50	50	50	100	100	200	220	242
Ensure development of human capital	Skills Development									200	22	242
Create an enabling environment for sustainable local economic development	Mobilisation of Private Sector Investment									700	770	847
Ensure alignment and integration of strategies, programmes and projects				24,442	24,826	35,955	32,723	38,802	38,802	39,836	41,615	44,639
Promote tolerance, perseverance, participation in development	Improved Ward Committees			-	-	-	400	400	400	450	495	545
Allocations to other priorities												
Total Expenditure				24,759	25,202	36,389	33,973	40,102	40,102	42,561	44,415	47,936

Table 14MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

KZN215 Ezingoleni - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand												
Advance and facilitate provision of sustainable and productive infrastructure	Infrastructure Development	A		6,397	14,482		17,325	18,109	18,109	16,287	20,564	20,121
		B										
		C										
		D										
		E										
		F										
		G										
		H										
		I										
		J										
		K										
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	6,397	14,482	–	17,325	18,109	18,109	16,287	20,564	20,121

Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative

requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages.

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

40. Planning (setting goals, objectives, targets and benchmarks);
41. Monitoring (regular monitoring and checking on the progress against plan);
42. Measurement (indicators of success);
43. Review (identifying areas requiring change and improvement);
44. Reporting (what information, to whom, from whom, how often and for what purpose); and
45. Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

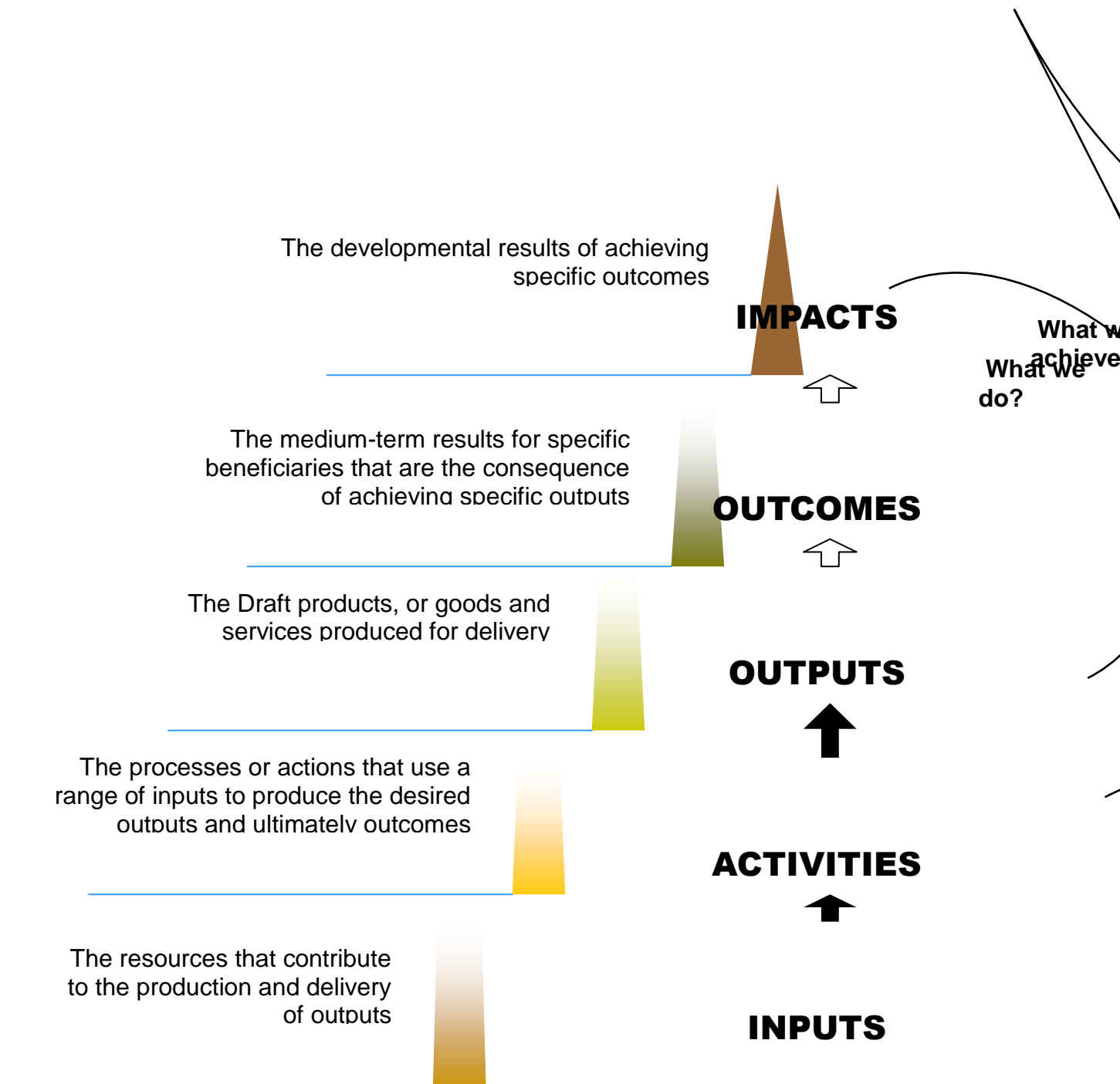


Figure 1 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 15 MBRR Table SA7 - Measurable performance objectives

KZN215 Ezinqoleni - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Vote 1 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Technical and Community services										
<i>Construction of Roads</i>	Kilometer	10.0%	10.0%	6.0%	8.0%	8.0%	8.0%	10.0%	10.0%	10.0%
Technical and Community services										
<i>Road Maintenance</i>	Kilometer	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Community Services										
<i>New Sportfields</i>	Number	1.0%	2.0%	4.0%	2.0%	2.0%	2.0%	0.0%	0.0%	0.0%
<i>Community Halls</i>	Number	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Community Services										
<i>Maintenance of Halls</i>	Number	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%	0.0%	0.0%	0.0%
Community Services										
Basic Energy	Number of Households	35.0%	40.0%	45.0%	50.0%	50.0%	50.0%	70.0%	80.0%	85.0%
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Governance and Administration										
<i>Skills Training</i>	Number	50.0%	60.0%	65.0%	70.0%	70.0%	70.0%	75.0%	80.0%	80.0%
LED										
<i>Support SMME's</i>	Number	40.0%	50.0%	50.0%	60.0%	60.0%	60.0%	70.0%	70.0%	70.0%
Function 2 - (name)										
Public Participation	Number	95.0%	90.0%	95.0%	99.0%	99.0%	99.0%	100.0%	100.0%	100.0%
<i>Community meetings</i>										
Property Rates										
<i>Rates Receivables</i>	Percentage	75.0%	75.0%	75.0%	80.0%	70.0%	70.0%	85.0%	90.0%	90.0%
Collection rate										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Corporate Services										
<i>HRM</i>	Number	5.0%	5.0%	5.0%	10.0%	10.0%	10.0%	2.0%	2.0%	2.0%
Recruitment										
Administrative services	Number	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	100.0%	100.0%	100.0%
<i>Insert measure/s description</i>										
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
And so on for the rest of the Votes										

The following table sets out the municipalities main performance objectives and benchmarks for the 2014/15 MTREF.

Table 16 MBRR Table SA8 - Performance indicators and benchmarks

KZN215 Ezinqoleni - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.8%	0.5%	0.1%	0.2%	0.2%	0.2%	0.0%	0.1%	0.1%	0.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	12.7%	5.5%	2.0%	3.7%	1.8%	1.8%	0.0%	1.1%	1.1%	1.1%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1.4	3.0	5.1	10.5	11.2	11.2	11.2	9.6	11.4	13.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.4	3.0	5.1	10.5	11.2	11.2	11.2	9.6	11.4	13.4
Liquidity Ratio	Monetary Assets/Current Liabilities	1.1	2.6	4.5	10.4	11.1	11.1	11.1	9.4	11.2	13.3
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		214.2%	556.0%	340.5%	76.9%	74.7%	74.7%	0.0%	75.0%	75.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		214.2%	556.0%	340.5%	76.9%	74.7%	74.7%	0.0%	75.0%	75.0%	75.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	13.7%	10.1%	10.3%	0.6%	0.5%	0.5%	0.0%	1.9%	1.7%	1.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		15.8%	16.1%	14.2%	6.6%	6.3%	6.3%	7.8%	9.5%	8.0%	6.5%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	-	-	-	-	-	-	-	-	-	-
	% Volume (units purchased and generated less units sold)/units purchased and generated	-	-	-	-	-	-	-	-	-	-
Water Distribution Losses (2)	Total Volume Losses (kℓ)	-	-	-	-	-	-	-	-	-	-
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated	-	-	-	-	-	-	-	-	-	-
Employee costs	Employee costs/(Total Revenue - capital revenue)	25.2%	27.3%	30.5%	35.0%	31.8%	31.8%	0.0%	30.8%	27.6%	28.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	32.9%	35.5%	38.2%	43.2%	39.6%	39.6%		38.1%	34.1%	35.4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2.2%	2.4%	2.2%	3.8%	4.0%	4.0%		2.1%	2.0%	2.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	8.5%	12.7%	34.3%	10.2%	23.6%	23.6%	0.0%	16.8%	14.8%	15.1%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	1.4	2.3	2.4	1.8	1.8	1.8	-	3.7	3.5	3.8
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	845.1%	429.8%	444.6%	22.9%	7.1%	7.1%	0.0%	26.5%	26.5%	26.6%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	14.8	15.3	18.1	14.8	15.5	15.5	-	19.1	24.9	29.3

Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Credit control and debt collection procedures/policies

The 2014/15 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 80 per cent on current billings. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the municipality's cash levels.

Asset Management policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure.

The Asset Management Policy is considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council.

Review of Budget Policy

The Budget Policy is current under review and will be tabled together with the budget in May 2013. The Budget Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Municipality's system of delegations.

Cash Management and Investment Policy

The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

Tariff Policies

The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation.

Overview of budget assumptions

External factors

Domestically, after five years of strong growth, during which about two million jobs were created, our economy shrank by an estimated 1.8 per cent last year and about 900 000 people lost their jobs. It is expected that recovery from this deterioration will be slow and uneven, and that growth for 2014 will be 2.3 per cent rising to 3.6 per cent by 2015.

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2014/15 MTREF:

46. National Government macro economic targets;
47. The general inflationary outlook and the impact on Municipality's residents and businesses;
48. The impact of municipal cost drivers;
49. The increase in the cost of remuneration.

Collection rate for revenue services

The rate of revenue collection is currently expressed as a percentage (75 per cent) of annual billings. Cash flow is assumed to be 75 per cent of billings. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

Salary increases

The collective agreement regarding salaries/wages came into operation on 1 July 2012 and shall remain in force until 30 June 2015. Currently the increase of 6.79% has been provided for in the 2014/15 budget.

Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

50. Creating jobs;
51. Infrastructure development;
52. Enhancing education and skill development;
53. Improving Health services;
54. Rural development and agriculture; and
55. Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

Budget assumptions

Assumptions used in preparation of the budget over the MTREF

Property rates	75%
Rental of facilities	60%
Interest earned in investment	100%
Transfers and Grants – operational	100%
Transfers and Grants – Capital	100%
Other revenue	80%
Expenditure	
Employee related cost	95%
Remuneration of councilors	100%
Debt impairment	100%
Depreciation and asset impairment	100%
Finance Charges	100%
Contracted services	95%
Transfers and Grants	75%
Other Expenditure	90%

Capital performance =95%

Year end accruals =10% of total operating budget

 =15% of capital budget

Provisions =10%

Overview of budget funding

Medium Term revenue

Ezinqoleni Municipality mainly depends on government grants and subsidies.

Operational grants and subsidies amount to R39.1 million, R46.9 million and R47.8 million for each of the respective financial years of the MTREF, or 95 per cent of operating revenue. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF.

Investment revenue contributes 2.6 per cent to the revenue base of the municipality with a budget allocation R1 million, 1.2 million and R1.4 million for the respective three financial years of the 2014/15 MTREF. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

The tables below provide d investment information and investment particulars by maturity.

Table 17MBRRSA15 – Detail Investment Information

KZN215 Ezinqoleni - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework												
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17										
R thousand																				
Parent municipality																				
Securities - National Government	1																			
Listed Corporate Bonds																				
Deposits - Bank																				
Deposits - Public Investment Commissioners																				
Deposits - Corporation for Public Deposits																				
Bankers Acceptance Certificates																				
Negotiable Certificates of Deposit - Banks																				
Guaranteed Endowment Policies (sinking)																				
Repurchase Agreements - Banks																				
Municipal Bonds																				
Municipality sub-total																				
Entities																				
Securities - National Government																				
Listed Corporate Bonds																				
Deposits - Bank																				
Deposits - Public Investment Commissioners																				
Deposits - Corporation for Public Deposits																				
Bankers Acceptance Certificates																				
Negotiable Certificates of Deposit - Banks																				
Guaranteed Endowment Policies (sinking)																				
Repurchase Agreements - Banks																				
Entities sub-total																				
Consolidated total:																				

Table 18MBRR SA16 – Investment particulars by maturity

KZN215 Ezinqoleni - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
Parent municipality														
FNB		36	Call Account	Yes	Fixed	4.85	0	0	30/06/2016	7,124			7,254	14,378
FNB		36	Money Market	Yes	Fixed	4.85	0	0	30/06/2016	1,006			1,125	2,131
FNB		36	Call Account	Yes	Fixed	4.85	0	0	30/06/2016	33			563	596
NEDBANK		36	Call Account	Yes	Fixed	4.8	0	0	30/06/2016	523			469	992
NEDBANK		36	Call Account	Yes	Fixed	4.8	0	0	30/06/2016	905			830	1,735
NEDBANK		36	Call Account	Yes	Fixed	4.8	0	0	30/06/2016	1,678			1,545	3,223
ABSA		36	Call Account	Yes	Fixed	4.8	0	0	30/06/2016	936			799	1,735
Municipality sub-total										12,205		-	12,585	24,790
Entities														
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									12,205		-	12,585	24,790

Medium-term outlook: capital revenue

The Municipality's capital budget is funded by the Municipal Infrastructure Grant and the surplus for Equitable share.

The Municipal Infrastructure Grant for the MTERF is 13.9 million, 14.4 million and 14.9 million for respective years.

Table19MBRR Table SA 18 - Capital transfers and grants receipts

Capital Transfers and Grants										
National Government:		7,511	11,125	13,496	13,474	13,474	13,474	13,987	14,464	14,921
Municipal Infrastructure Grant (MIG)		7,511	11,125	13,496	13,474	13,474	13,474	13,987	14,464	14,921
Other capital transfers/grants [insert desc]										
Provincial Government:		5,352	–	525	–	1,575	1,575	–	–	–
Small Town Grant and Sport and Recreation Grant		5,352	–	525	–	1,575	1,575			
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total Capital Transfers and Grants	5	12,863	11,125	14,021	13,474	15,049	15,049	13,987	14,464	14,921
TOTAL RECEIPTS OF TRANSFERS & GRANTS		41,465	37,464	42,903	47,128	48,853	48,853	53,084	61,388	62,770

Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councilors and management. Some specific features include:

56. Clear separation of receipts and payments within each cash flow category;
57. Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
58. Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table20 MBRR Table A7 - Budget cash flow statement

KZN215 Ezinqoleni - Table A7 Budgeted Cash Flows

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Ratepayers and other			1,564	7,660	4,331	989	2,457	2,457		2,588	2,765	2,941
Government - operating		1	28,602	26,339	28,912	33,654	33,804	33,804		39,097	46,924	47,849
Government - capital		1	12,863	11,125	14,021	13,474	15,049	15,049		13,987	14,464	14,921
Interest			858	1,070	1,020	933	1,205	1,205		1,029	1,200	1,400
Dividends												
Payments												
Suppliers and employees			(25,502)	(30,119)	(26,827)	(26,493)	(27,806)	(27,806)		(28,435)	(29,521)	(32,071)
Finance charges			(55)	(32)	(15)	(55)	(55)	(55)		(50)	(55)	(61)
Transfers and Grants		1	(40)	(42)		(1,244)	(1,247)	(1,247)		(600)	(660)	(726)
NET CASH FROM/(USED) OPERATING ACTIVITIES			18,290	16,002	21,442	21,258	23,407	23,407	-	27,616	35,116	34,253
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE												
Decrease (Increase) in non-current debtors												
Decrease (increase) other non-current receivables												
Decrease (increase) in non-current investments												
Payments												
Capital assets			(7,160)	(14,482)	(13,308)	(16,979)	(17,747)	(17,747)		(15,473)	(19,536)	(19,115)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(7,160)	(14,482)	(13,308)	(16,979)	(17,747)	(17,747)	-	(15,473)	(19,536)	(19,115)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans												
Borrowing long term/refinancing												
Increase (decrease) in consumer deposits												
Payments												
Repayment of borrowing			(146)	(104)	(30)	(27)	(27)	(27)				
NET CASH FROM/(USED) FINANCING ACTIVITIES			(146)	(104)	(30)	(27)	(27)	(27)	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD			10,984	1,416	8,103	4,252	5,633	5,633	-	12,143	15,580	15,138
Cash/cash equivalents at the year begin:		2	7,359	18,343	19,759	23,540	23,540	23,540	23,540	29,173	41,316	56,897
Cash/cash equivalents at the year end:		2	18,343	19,759	27,863	27,792	29,173	29,173	23,540	41,316	56,897	72,034

Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

59. What are the predicted cash and investments that are available at the end of the budget year?
60. How are those funds used?
61. What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years

there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 21 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

KZN215 Ezinqoleni - Table A8 Cash backed reserves/accumulated surplus reconciliation

Table A6: Cash Budget Post-Redeemed Surplus Information											
Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	18,343	19,759	27,863	27,792	29,173	29,173	23,540	41,316	56,897	72,034
Other current investments > 90 days		(0)	(0)	(0)	4	-	-	5,633	(0)	0	(0)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		18,343	19,759	27,862	27,796	29,173	29,173	29,173	41,316	56,897	72,034
Application of cash and investments											
Unspent conditional transfers		13,122	4,492	2,186	159	159	159	159	126	132	359
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(5,241)	(13,479)	(7,739)	1,683	1,688	1,688	1,841	3,309	3,915	3,967
Other provisions		-	-	-	635	635	635	-	362	385	409
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		7,881	(8,986)	(5,553)	2,477	2,482	2,482	2,000	3,796	4,432	4,735
Surplus(shortfall)		10,462	28,745	33,415	25,319	26,691	26,691	27,173	37,520	52,465	67,299

Funding compliance measurement National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 22 MBRRSA10 – Funding compliance measurement

KZN215 Ezinqoleni Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	18,343	19,759	27,863	27,792	29,173	29,173	23,540	41,316	56,897	72,034
Cash + investments at the yr end less applications - R'000	18(1)b	2	10,462	28,745	33,415	25,319	26,691	26,691	27,173	37,520	52,465	67,299
Cash year end/monthly employee/supplier payments	18(1)b	3	14.8	15.3	18.1	14.8	15.5	15.5	–	19.1	24.9	29.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	10,286	20,001	11,677	15,774	13,644	13,644	–	15,452	22,354	20,699
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	47.4%	8.3%	7.7%	224.1%	(6.0%)	(106.0%)	0.8%	0.0%	(0.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	214.2%	556.0%	340.5%	76.9%	74.7%	74.7%	0.0%	75.0%	75.0%	75.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	(50.9%)	3.4%	0.0%	7.3%	2.2%	2.2%	0.0%	4.8%	5.0%	5.2%
Capital payments % of capital expenditure	18(1)c;19	8	111.9%	100.0%	0.0%	98.0%	98.0%	98.0%	0.0%	95.0%	95.0%	95.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(21.2%)	14.8%	(94.0%)	0.0%	0.0%	0.0%	299.5%	6.2%	6.2%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.9%	1.2%	1.0%	2.1%	2.1%	2.1%	1.3%	1.2%	1.1%	1.1%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	11.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Expenditure on grants and reconciliations of unspent funds

Table 23 MBRR SA19 - Expenditure on transfers and grant programmes

KZN215 Ezinqoleni - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		28,112	26,010	28,336	33,020	33,020	33,020	38,286	46,225	46,893
Local Government Equitable Share		18,112	21,581	26,036	29,480	29,480	29,480	34,499	43,308	43,775
Finance Management		1,250	1,500	1,500	1,650	1,650	1,650	1,800	1,950	2,100
Municipal Systems Improvement		750	790	800	890	890	890	934	967	1,018
EPWP Incentive		–	–	–	1,000	1,000	1,000	1,053	–	–
Integrated National Electrification Programme		8,000	2,139							
Other transfers/grants [insert description]										
Provincial Government:		490	329	546	634	784	784	811	699	956
Sport and Recreation						150	150	150	–	–
Art and Culture		90	329	346	634	634	634	661	699	956
Coperative Governance and Traditional affairs		400	–	200	–	–	–	–	–	–
0										
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total operating expenditure of Transfers and Grants:		28,602	26,339	28,882	33,654	33,804	33,804	39,097	46,924	47,849
Capital expenditure of Transfers and Grants										
National Government:		7,511	11,125	13,496	13,474	13,474	13,474	13,987	14,464	14,921
Municipal Infrastructure Grant (MIG)		7,511	11,125	13,496	13,474	13,474	13,474	13,987	14,464	14,921
Other capital transfers/grants [insert desc]										
Provincial Government:		5,352	–	525	–	1,575	1,575	–	–	–
Small Town Grant and Sport and Recreation Grant		5,352	–	525	–	1,575	1,575	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total capital expenditure of Transfers and Grants		12,863	11,125	14,021	13,474	15,049	15,049	13,987	14,464	14,921
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		41,465	37,464	42,903	47,128	48,853	48,853	53,084	61,388	62,770

Table 24MBRR SA 18 - Reconciliation between of transfers, grant receipts and unspent funds

KZN215 Ezinqoleni - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		28,112	26,010	28,336	33,020	33,020	33,020	38,286	46,225	46,893
Local Government Equitable Share		18,112	21,581	26,036	29,480	29,480	29,480	34,499	43,308	43,775
Finance Management		1,250	1,500	1,500	1,650	1,650	1,650	1,800	1,950	2,100
Municipal Systems Improvement		750	790	800	890	890	890	934	967	1,018
EPWP Incentive		-	-	-	1,000	1,000	1,000	1,053	-	-
Integrated National Electrification Programme		8,000	2,139	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
Provincial Government:		490	329	546	634	784	784	811	699	956
Sport and Recreation					-	150	150	150		
Art and Culture		90	329	346	634	634	634	661	699	956
Coperate Governance and Traditional affairs		400	-	200	-	-	-	-	-	-
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: [insert description]		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	28,602	26,339	28,882	33,654	33,804	33,804	39,097	46,924	47,849
Capital Transfers and Grants										
National Government:		7,511	11,125	13,496	13,474	13,474	13,474	13,987	14,464	14,921
Municipal Infrastructure Grant (MIG)		7,511	11,125	13,496	13,474	13,474	13,474	13,987	14,464	14,921
Other capital transfers/grants [insert desc]										
Provincial Government:		5,352	-	525	-	1,575	1,575	-	-	-
Small Town Grant and Sport and Recreation Grant		5,352	-	525	-	1,575	1,575			
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: [insert description]		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	12,863	11,125	14,021	13,474	15,049	15,049	13,987	14,464	14,921
TOTAL RECEIPTS OF TRANSFERS & GRANTS		41,465	37,464	42,903	47,128	48,853	48,853	53,084	61,388	62,770

Councillor and employee benefits

Table 25 MBRR SA22 - Summary of councillor and staff benefits

KZN215 Ezinqoleni - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		A	B	C	D	E	F	G	H	I
<u>Councillors (Political Office Bearers plus Other)</u>	1									
Basic Salaries and Wages		2,022	2,316	2,674	2,806	2,846	2,846	2,992	3,184	3,388
Pension and UIF Contributions								-		
Medical Aid Contributions								-		
Motor Vehicle Allowance								-		
Cellphone Allowance		102	128	139	144	144	144	144	153	163
Housing Allowances								-		
Other benefits and allowances								40	42	45
Sub Total - Councillors		2,124	2,445	2,814	2,950	2,990	2,990	3,176	3,379	3,595
% increase	4		15.1%	15.1%	4.8%	1.4%	-	6.2%	6.4%	6.4%
<u>Senior Managers of the Municipality</u>	2									
Basic Salaries and Wages		2,119	1,305	1,815	2,787	2,787	2,787	2,972	3,163	3,365
Pension and UIF Contributions								5	5	6
Medical Aid Contributions								-		
Overtime								-		
Performance Bonus								124	132	140
Motor Vehicle Allowance	3			472	116	116	116	-		
Cellphone Allowance	3		345					-		
Housing Allowances	3		244	346	39	39	39	-		
Other benefits and allowances	3	138	143	165	201	107	107	36	38	41
Payments in lieu of leave			65					65	69	73
Long service awards								-		
Post-retirement benefit obligations	6							-		
Sub Total - Senior Managers of Municipality		2,257	2,103	2,798	3,143	3,048	3,048	3,202	3,407	3,625
% increase	4		(6.8%)	33.1%	12.3%	(3.0%)	-	5.0%	6.4%	6.4%
<u>Other Municipal Staff</u>										
Basic Salaries and Wages		2,588	4,092	5,068	6,081	6,081	6,081	6,797	7,232	7,694
Pension and UIF Contributions		740	746	843	1,153	1,153	1,153	1,281	1,363	1,451
Medical Aid Contributions			233	297	410	410	410	489	520	553
Overtime					43	43	43	-	-	-
Performance Bonus		252	241	388	507	507	507	566	603	641
Motor Vehicle Allowance	3	330	596		354	354	354	433	461	491
Cellphone Allowance	3				-	-	-	79	84	89
Housing Allowances	3	20	16		30	30	30	30	32	34
Other benefits and allowances	3	628			69	69	69	83	88	94
Payments in lieu of leave		39	28	145	518	262	262	297	316	336
Long service awards		129		13	235	235	235	35	37	40
Post-retirement benefit obligations	6			433				143	152	162
Sub Total - Other Municipal Staff		4,726	5,953	7,186	9,401	9,145	9,145	10,233	10,888	11,585
% increase	4		26.0%	20.7%	30.8%	(2.7%)	-	11.9%	6.4%	6.4%
Total Parent Municipality		9,107	10,500	12,798	15,494	15,183	15,183	16,611	17,674	18,805
			15.3%	21.9%	21.1%	(2.0%)	-	9.4%	6.4%	6.4%

KZN215 Ezingoleni - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

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Table 27 MBRR SA24 – SSummary of personnel numbers

KZN215 Ezinqoleni - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2012/13			Current Year 2013/14			Budget Year 2014/15		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		11	-	11	11	-	11	11	-	11
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	4	-	4	4	-	4	4	-	4
Other Managers	7	3	3	-	3	3	-	3	3	-
Professionals		16	8	5	22	13	2	27	15	5
Finance		12	5	5	12	7	2	17	7	5
Spatial/town planning										
Information Technology		-	-	-	1	-	-	1	1	-
Roads		1	1	-	2	1	-	2	2	-
Electricity										
Water										
Sanitation										
Refuse										
Other		3	2		7	5		7	5	
Technicians		-	-	-	-	-	-	-	-	-
Finance										
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other										
Clerks (Clerical and administrative)		3	3	-	3	3	-	3	3	-
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		5	5	-	6	6	-	6	6	-
Elementary Occupations										
TOTAL PERSONNEL NUMBERS	9	42	19	20	49	25	17	54	27	20
% increase					16.7%	31.6%	(15.0%)	10.2%	8.0%	17.6%

Monthly targets for revenue, expenditure and cash flow

Table 28 MBRR SA25 - Budgeted monthly revenue and expenditure

KZN215 Ezinqoleni - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand																
Revenue By Source																
Property rates		257	257	257	257	257	257	257	257	257	257	257	257	3,080	3,265	3,460
Property rates - penalties & collection charges		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - electricity revenue		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - water revenue		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - refuse revenue		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - other		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rental of facilities and equipment		1	1	1	1	1	1	1	1	1	1	1	1	15	17	19
Interest earned - external investments		86	86	86	86	86	86	86	86	86	86	86	86	1,029	1,200	1,400
Interest earned - outstanding debtors		5	5	5	5	5	5	5	5	5	5	5	5	55	60	65
Dividends received		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Licences and permits		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Agency services		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers recognised - operational		3,258	3,258	3,258	3,258	3,258	3,258	3,258	3,258	3,258	3,258	3,258	3,258	39,097	46,924	47,849
Other revenue		25	25	25	25	25	25	25	25	25	25	25	25	300	344	377
Gains on disposal of PPE		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contribution)		3,631	3,631	3,631	3,631	3,631	3,631	3,631	3,631	3,631	3,631	3,631	3,632	43,576	51,809	53,170
Expenditure By Type																
Employee related costs		1,062	1,752	1,062	1,062	1,062	1,062	1,062	1,062	1,062	1,062	1,062	1,062	13,435	14,295	15,210
Remuneration of councillors		265	265	265	265	265	265	265	265	265	265	265	264	3,176	3,379	3,595
Debt impairment		—	—	—	—	—	—	—	—	—	—	—	150	150	165	182
Depreciation & asset impairment		604	604	604	604	604	604	604	604	604	604	604	604	7,250	7,613	7,993
Finance charges		4	4	4	4	4	4	4	4	4	4	4	4	50	55	61
Bulk purchases		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other materials		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Contracted services		206	206	206	206	206	206	206	206	206	206	206	206	2,477	2,725	2,997
Transfers and grants		58	58	133	58	58	58	58	58	58	58	58	58	775	853	938
Other expenditure		1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	1,233	14,798	14,836	16,416
Loss on disposal of PPE		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Expenditure		3,433	4,123	3,508	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,583	42,111	43,919	47,391
Surplus/(Deficit)		198	(492)	123	198	198	198	198	198	198	198	198	49	1,465	7,890	5,778
Transfers recognised - capital		—	1,748	1,748	1,748	1,748	874	1,748	1,748	1,748	874	—	(0)	13,987	14,464	14,921
Contributions recognised - capital		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Contributed assets		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		198	1,257	1,872	1,947	1,947	1,073	1,947	1,947	1,947	1,073	198	49	15,452	22,354	20,699
Taxation		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Attributable to minorities		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Share of surplus/ (deficit) of associate		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit)	1	198	1,257	1,872	1,947	1,947	1,073	1,947	1,947	1,947	1,073	198	49	15,452	22,354	20,699

Table 29MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

KZN215 Ezinqoleni - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand																
Revenue by Vote																
Vote 1 - Executive and Council													-	-	-	-
Vote 2 - Budget and Treasury Office		3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	41,399	50,753	51,822
Vote 3 - Corporate Services		20	20	20	20	20	20	20	20	20	20	20	20	236	268	290
Vote 4 - Technical and Community Services		1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,327	1,327	15,928	15,252	15,979
Vote 5 - [NAME OF VOTE 5]													-	-	-	-
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Revenue by Vote		4,797	4,797	4,797	4,797	4,797	4,797	4,797	4,797	4,797	4,797	4,797	4,797	57,563	66,273	68,091
Expenditure by Vote to be appropriated																
Vote 1 - Executive and Council		671	671	671	671	671	671	671	671	671	671	671	670	8,049	8,702	9,410
Vote 2 - Budget and Treasury Office		1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,399	16,796	17,914	19,118
Vote 3 - Corporate Services		757	757	757	757	757	757	757	757	757	757	757	757	9,083	9,775	10,523
Vote 4 - Technical and Community Services		682	682	682	682	682	682	682	682	682	682	682	682	8,183	7,529	8,340
Vote 5 - [NAME OF VOTE 5]													-	-	-	-
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Expenditure by Vote		3,509	3,509	3,509	3,509	3,509	3,509	3,509	3,509	3,509	3,509	3,509	3,509	42,111	43,920	47,391
Surplus/(Deficit) before assoc.		1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	15,452	22,353	20,700
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	1,288	15,452	22,353	20,700

Table 30 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

KZN215 Ezinqoleni - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand																
Revenue - Standard																
<i>Governance and administration</i>		3,470	3,470	3,470	3,470	3,470	3,470	3,470	3,470	3,470	3,470	3,470	3,470	41,635	51,021	52,112
Executive and council														—	—	—
Budget and treasury office		3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	3,450	41,399	50,753	51,822
Corporate services		20	20	20	20	20	20	20	20	20	20	20	20	236	268	290
<i>Community and public safety</i>		162	162	162	162	162	162	162	162	162	162	162	162	1,941	789	1,058
Community and social services		143	143	143	143	143	143	143	143	143	143	143	143	1,714	699	956
Sport and recreation		13	13	13	13	13	13	13	13	13	13	13	13	150	—	—
Public safety		6	6	6	6	6	6	6	6	6	6	6	6	77	90	102
Housing														—	—	—
Health														—	—	—
<i>Economic and environmental services</i>		1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	13,987	14,464	14,921
Planning and development														—	—	—
Road transport		1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	13,987	14,464	14,921
Environmental protection														—	—	—
<i>Trading services</i>		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Electricity														—	—	—
Water														—	—	—
Waste water management														—	—	—
Waste management														—	—	—
<i>Other</i>														—	—	—
Total Revenue - Standard		4,797	4,797	4,797	4,797	4,797	4,797	4,797	4,797	4,797	4,797	4,797	4,797	57,563	66,273	68,091
Expenditure - Standard																
<i>Governance and administration</i>		2,733	2,733	2,733	2,733	2,733	2,733	2,733	2,733	2,733	2,733	2,733	2,732	32,792	35,142	37,678
Executive and council		576	576	576	576	576	576	576	576	576	576	576	576	6,914	7,453	8,037
Budget and treasury office		1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,399	16,796	17,914	19,118
Corporate services		757	757	757	757	757	757	757	757	757	757	757	757	9,083	9,775	10,523
<i>Community and public safety</i>		260	260	260	260	260	260	260	260	260	260	260	260	3,124	2,250	2,662
Community and social services		231	231	231	231	231	231	231	231	231	231	231	231	2,774	1,865	2,239
Sport and recreation		21	21	21	21	21	21	21	21	21	21	21	21	250	275	303
Public safety		8	8	8	8	8	8	8	8	8	8	8	8	100	110	121
Housing														—	—	—
Health														—	—	—
<i>Economic and environmental services</i>		475	475	475	475	475	475	475	475	475	475	475	475	5,694	5,977	6,446
Planning and development		58	58	58	58	58	58	58	58	58	58	58	58	700	770	847
Road transport		416	416	416	416	416	416	416	416	416	416	416	416	4,994	5,207	5,599
Environmental protection														—	—	—
<i>Trading services</i>		35	35	35	35	35	35	35	35	35	35	35	35	425	468	514
Electricity														—	—	—
Water														—	—	—
Waste water management														—	—	—
Waste management		35	35	35	35	35	35	35	35	35	35	35	35	425	468	514
<i>Other</i>													75	75	83	91
Total Expenditure - Standard		3,503	3,503	3,503	3,503	3,503	3,503	3,503	3,503	3,503	3,503	3,503	3,578	42,111	43,919	47,391
Surplus/(Deficit) before assoc.		1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,219	15,452	22,354	20,700
Share of surplus/ (deficit) of associate													—	—	—	—
Surplus/(Deficit)	1	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,219	15,452	22,354	20,700

Table 31 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

KZN215 Ezingqoleni - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - Executive and Council													-	-	-	-
Vote 2 - Budget and Treasury Office													-	-	-	-
Vote 3 - Corporate Services													-	-	-	-
Vote 4 - Technical and Community Services													-	-	-	-
Vote 5 - [NAME OF VOTE 5]													-	-	-	-
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - Executive and Council		55					33						-	88	150	175
Vote 2 - Budget and Treasury Office				35		33			20				-	88	150	175
Vote 3 - Corporate Services		150	500			33		55		100			-	838	650	675
Vote 4 - Technical and Community Services		1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,273	1,272	15,275	19,614	19,096
Vote 5 - [NAME OF VOTE 5]													-	-	-	-
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital single-year expenditure sub-total	2	1,478	1,773	1,308	1,273	1,338	1,305	1,328	1,293	1,373	1,273	1,273	1,272	16,287	20,564	20,121
Total Capital Expenditure	2	1,478	1,773	1,308	1,273	1,338	1,305	1,328	1,293	1,373	1,273	1,273	1,272	16,287	20,564	20,121

Table 32 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

KZN215 Ezinqoleni - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Capital Expenditure - Standard	1															
Governance and administration		205	500	35	-	65	33	55	20	100	-	-	-	1,013	950	1,025
Executive and council		55					33						-	88	150	175
Budget and treasury office				35		33			20				-	88	150	175
Corporate services		150	500			33		55		100			-	838	650	675
Community and public safety		1,200	-	-	-	-	-	-	-	-	-	-	-	1,200	5,000	4,000
Community and social services		1,200											-	1,200	-	-
Sport and recreation													-	-	-	-
Public safety													-	-	5,000	4,000
Housing													-	-	-	-
Health													-	-	-	-
Economic and environmental services		1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	13,987	14,464	14,921
Planning and development													-	-	-	-
Road transport		1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	1,166	13,987	14,464	14,921
Environmental protection													-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	-	-
Other				35		33			20				-	88	150	175
Total Capital Expenditure - Standard	2	2,571	1,666	1,236	1,166	1,263	1,198	1,221	1,206	1,266	1,166	1,166	1,166	16,287	20,564	20,121
Funded by:																
National Government		4,756			4,476					4,756			(0)	13,987	14,464	14,921
Provincial Government													-	-	-	-
District Municipality													-	-	-	-
Other transfers and grants													-	-	-	-
Transfers recognised - capital		4,756	-	-	4,476	-	-	-	-	4,756	-	-	(0)	13,987	14,464	14,921
Public contributions & donations													-	-	-	-
Borrowing													-	-	-	-
Internally generated funds		2,300											-	2,300	6,100	5,200
Total Capital Funding		7,056	-	-	4,476	-	-	-	-	4,756	-	-	(0)	16,287	20,564	20,121

Table 33 MBRR SA30 - Budgeted monthly cash flow

KZN215 Ezinqoleni - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Cash Receipts By Source													1		
Property rates	193	193	193	193	193	193	193	193	193	193	193	193	2,310	2,449	2,595
Property rates - penalties & collection charges															
Service charges - electricity revenue															
Service charges - water revenue															
Service charges - sanitation revenue															
Service charges - refuse revenue															
Service charges - other															
Rental of facilities and equipment	1	1	1	1	1	1	1	1	1	1	1	1	9	10	11
Interest earned - external investments	86	86	86	86	86	86	86	86	86	86	86	86	1,029	1,200	1,400
Interest earned - outstanding debtors	5	5	5	5	5	5	5	5	5	5	5	5	55	60	65
Dividends received															
Fines															
Licences and permits															
Agency services															
Transfer receipts - operational	16,289	934	535		11,511				9,828				39,097	46,924	47,849
Other revenue	20	20	20	20	20	20	20	20	20	20	20	20	240	275	302
Cash Receipts by Source	16,593	1,238	839	304	11,815	304	304	304	10,132	304	304	304	42,740	50,918	52,222
Other Cash Flows by Source															
Transfer receipts - capital	4,756			4,476					4,756			(0)	13,987	14,464	14,921
Contributions recognised - capital & Contributed assets															
Proceeds on disposal of PPE															
Short term loans															
Borrowing long term/refinancing															
Increase (decrease) in consumer deposits															
Decrease (increase) in non-current debtors															
Decrease (increase) other non-current receivables															
Decrease (increase) in non-current investments															
Total Cash Receipts by Source	21,348	1,238	839	4,779	11,815	304	304	304	14,888	304	304	303	56,727	65,382	67,143
Cash Payments by Type															
Employee related costs	1,064	1,064	1,064	1,064	1,064	1,064	1,064	1,064	1,064	1,064	1,064	1,064	12,763	13,580	14,450
Remuneration of councillors	265	265	265	265	265	265	265	265	265	265	265	265	3,176	3,379	3,595
Finance charges	4	4	4	4	4	4	4	4	4	4	4	4	50	55	61
Bulk purchases - Electricity															
Bulk purchases - Water & Sewer															
Other materials															
Contracted services	194	194	194	194	194	194	194	194	194	194	194	194	2,323	2,589	2,847
Transfers and grants - other municipalities															
Transfers and grants - other	50	50	50	50	50	50	50	50	50	50	50	50	600	660	726
Other expenditure	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	13,318	13,352	14,774
Cash Payments by Type	2,686	2,686	2,686	2,686	2,686	2,686	2,686	2,686	2,686	2,686	2,686	2,687	32,231	33,615	36,453
Other Cash Flows/Payments by Type															
Capital assets	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289	1,289	15,473	19,536	19,115
Repayment of borrowing															
Other Cash Flows/Payments															
Total Cash Payments by Type	3,975	3,975	3,975	3,975	3,975	3,975	3,975	3,975	3,975	3,975	3,975	3,976	47,703	53,151	55,568
NET INCREASE/(DECREASE) IN CASH HELD	17,373	(2,738)	(3,137)	804	7,839	(3,672)	(3,672)	(3,672)	10,912	(3,672)	(3,672)	(3,672)	9,024	12,231	11,575
Cash/cash equivalents at the month/year begin:	27,862	45,235	42,498	39,361	40,165	48,004	44,333	40,661	36,989	47,902	44,230	40,559	27,862	36,886	49,117
Cash/cash equivalents at the month/year end:	45,235	42,498	39,361	40,165	48,004	44,333	40,661	36,989	47,902	44,230	40,559	36,886	36,886	49,117	60,692

Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and Draftly on the repair and maintenance of assets.

Table 34 MBRR SA 34a - Capital expenditure on new assets by asset class

KZN215 Ezinqoleni - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		822	2,747	–	13,474	12,474	12,474	13,987	14,464	14,921
Infrastructure - Road transport		822	2,747	–	13,474	12,474	12,474	13,987	14,464	14,921
Roads, Pavements & Bridges		822	2,747	–	13,474	12,474	12,474	13,987	14,464	14,921
Storm water										
Infrastructure - Electricity		–	–	–	–	–	–	–	–	–
Generation										
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Reticulation										
Sewerage purification										
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Waste Management										
Transportation	2									
Gas										
Other	3									
Community		5,372	11,396	–	525	3,100	3,100	–	5,000	4,000
Parks & gardens			517							
Sportsfields & stadia		5,372	8,638		525	2,100	2,100			
Swimming pools										
Community halls		–	2,200			1,000	1,000			
Libraries										
Recreational facilities										
Fire, safety & emergency									5,000	4,000
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other			41							
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings										
Other	9									
Investment properties		–	–	–	–	–	–	–	–	–
Housing development										
Other										
Other assets		129	339	–	1,300	1,830	1,830	2,300	1,100	1,200
General vehicles					250	410	410	600	500	500
Specialised vehicles	10	–	–	–	–	–	–	–	–	–
Plant & equipment								1,200		
Computers - hardware/equipment		49	81		200	350	350	350	400	450
Furniture and other office equipment		80	100		200	300	300	150	200	250
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings			158			770	770			
Other Land					500	–	–			
Surplus Assets - (Investment or Inventory)										
Other					150	–	–			
Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class										
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class										
Intangibles		75	–	–	–	152	152	–	–	–
Computers - software & programming		75				152	152			
Other (list sub-class)										
Total Capital Expenditure on new assets	1	6,397	14,481	–	15,299	17,556	17,556	16,287	20,564	20,121

Table 35 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

KZN215 Ezinqoleni - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges										
Storm water										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation										
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management										
Transportation	2									
Gas	3									
Other										
Community		-	-	-	2,026	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia					1,526					
Swimming pools					500					
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		-	-	-	-	-	-	-	-	-
General vehicles										
Specialised vehicles										
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other	10									
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Capital Expenditure on renewal of existing assets	1	-	-	-	2,026	-	-	-	-	-

Table 36MBRR SA34c - Repairs and maintenance expenditure by asset class

KZN215 Ezingqoleni - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		350	436	723	860	860	860	-	-	-
Infrastructure - Road transport		350	436	723	800	800	800	-	-	-
Roads, Pavements & Bridges		350	436	723	800	800	800			
Storm water										
Infrastructure - Electricity		-	-	-	60	60	60	-	-	-
Generation										
Transmission & Reticulation										
Street Lighting					60	60	60			
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management										
Transportation	2									
Gas										
Other	3									
Community		33	35	-	140	100	100	350	405	418
Parks & gardens										
Sportsfields & stadia			7		70	50	50	100	120	120
Swimming pools								150	175	183
Community halls		30	28		70	50	50			
Libraries	3									
Recreational facilities										
Fire, safety & emergency								100	110	116
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		219	228	-	375	555	555	580	638	705
General vehicles		82	100		110	160	160	150	165	182
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		36	85		150	300	300	180	198	218
Computers - hardware/equipment		10			20	20	20	25	28	30
Furniture and other office equipment		18	22		35	15	15	25	28	30
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		73	21		60	60	60	200	220	245
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Repairs and Maintenance Expenditure	1	603	699	723	1,375	1,515	1,515	930	1,043	1,123
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										
R&M as a % of PPE		1.9%	1.2%	1.0%	2.1%	2.1%	2.1%	1.2%	1.1%	1.1%
R&M as % Operating Expenditure		2.4%	2.8%	2.0%	4.1%	3.8%	3.8%	2.2%	2.4%	2.4%

Table 37 MBRR SA35 - Future financial implications of the capital budget

KZN215 Ezinqoleni - Supporting Table SA35 Future financial implications of the capital budget

Vote Description R thousand	Ref	2014/15 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Present value
Capital expenditure	1							
Vote 1 - Executive and Council		88	150	175				
Vote 2 - Budget and Treasury Office		88	150	175				
Vote 3 - Corporate Services		838	650	675				
Vote 4 - Technical and Community Services		15,275	19,614	19,096				
Vote 5 - [NAME OF VOTE 5]		-	-	-				
Vote 6 - [NAME OF VOTE 6]		-	-	-				
Vote 7 - [NAME OF VOTE 7]		-	-	-				
Vote 8 - [NAME OF VOTE 8]		-	-	-				
Vote 9 - [NAME OF VOTE 9]		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		16,287	20,564	20,121	-	-	-	-

Table 38MBRR SA36 - Detailed capital budget per municipal vote

KZN215 Ezinqoleni - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2014/15 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2012/13	Current Year 2013/14 Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	Ward location	New or renewal
R thousand	4			2	6	3	3	5								
Parent municipality:																
List all capital projects grouped by Municipal Vote																
Technical Services		Access Road			Yes	Infrastructure - Road transport	Roads, Pavements & Bridges			6,580	12,747	13,987	14,464	14,921	1,2,3,4,5 & 6	New
Technical Services		Plant			Yes	Other Assets	Plant & equipment					1,200	-	-	0	New
Technical Services		Computer			Yes	Other Assets	Computers - hardware/equipment			63		50				
Technical Services		Equipment			Yes	Other Assets	Furniture and other office equipment					38				
Budget and Treasury Office		Computer			Yes	Other Assets	Computers - hardware/equipment					50				
Budget and Treasury Office		Equipment			Yes	Other Assets	Furniture and other office equipment					38				
Municipal Managers Office		Computer			Yes	Other Assets	Computers - hardware/equipment					50				
Municipal Managers Office		Equipment			Yes	Other Assets	Furniture and other office equipment					38				
Corporate Services		Motor Vehicles			Yes	Other Assets	General vehicles					600				
Corporate Services		Computer			Yes	Other Assets	Computers - hardware/equipment					200				
Corporate Services		Equipment			Yes	Other Assets	Furniture and other office equipment					38				
Parent Capital expenditure	1											16,287	14,464	14,921		
Entities:																
List all capital projects grouped by Entity																
Entity A																
Water project A																
Entity B																
Electricity project B																
Entity Capital expenditure										-	-	-	-	-		
Total Capital expenditure										6,643	12,747	16,287	14,464	14,921		

Table 39MBRR SA37 - Projects delayed from previous financial year

KZN215 Ezinqoleni - Supporting Table SA37 Projects delayed from previous financial year/s

Municipal Vote/Capital project R thousand	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete Year	Current Year 2013/14		2014/15 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>				<i>Examples</i>	<i>Examples</i>							
							0	-	-	-	-	-
							0	-	-	-	-	-
							0	-	-	-	-	-
							0	-	-	-	-	-
							0	-	-	-	-	-
							0	-	-	-	-	-
							0	-	-	-	-	-
Entities: <i>List all capital projects grouped by Municipal Entity</i>												
Entity Name <i>Project name</i>							0	-	-	-	-	-
							0	-	-	-	-	-
							0	-	-	-	-	-
							0	-	-	-	-	-
							0	-	-	-	-	-
							0	-	-	-	-	-

Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days).
2. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. Of the five interns four have been appointed permanently. The remaining two are still under the training and municipality has an obligation to replace the vacant positions of the three interns.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee is shared with other municipalities within the district and is fully functional.
5. Service Delivery and Implementation Plan
The detail 2014/15 draft SDBIP document will be Draftized and will be tabled before council.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.

Other supporting documents:

Table 40 MBRR Table SA1 - Supporting detail to budgeted financial performance

KZN215 Ezinqoleni - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
REVENUE ITEMS:											
<u>Property rates</u>	6										
Total Property Rates		438	672	769	933	2,965	2,965		3,080	3,265	3,460
less Revenue Foregone					59	81	81				
Net Property Rates		438	672	769	874	2,884	2,884	-	3,080	3,265	3,460
<u>Service charges - electricity revenue</u>	6										
Total Service charges - electricity revenue											
less Revenue Foregone											
Net Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-
<u>Service charges - water revenue</u>	6										
Total Service charges - water revenue											
less Revenue Foregone											
Net Service charges - water revenue		-	-	-	-	-	-	-	-	-	-
<u>Service charges - sanitation revenue</u>											
Total Service charges - sanitation revenue											
less Revenue Foregone											
Net Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-
<u>Service charges - refuse revenue</u>	6										
Total refuse removal revenue											
Total landfill revenue											
less Revenue Foregone											
Net Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-
<u>Other Revenue by source</u>											
Tender Sales		35	57	15					60	70	80
Library Fees		10	10	5					2	3	3
LG SETA		30	51	52					16	18	20
SCP Refunds		37	155	254					220	250	270
Rates Clearance									1	1	1
Sale of Valuation Roll									1	2	3
Other Income		168	407	173	391	314	314				
Total 'Other' Revenue	3 1	280	681	499	391	314	314	-	300	344	377

Table 40 MBRR Table SA1 - Supporting detail to budgeted financial performance (continued)

EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	4,708	5,398	6,883	8,608	8,608	8,608		9,769	10,394	11,059
Pension and UIF Contributions		518	746	843	1,154	1,154	1,154		1,286	1,369	1,456
Medical Aid Contributions		222	233	297	410	410	410		489	520	553
Overtime		—	—		42	42	42				
Performance Bonus		252	315	324	623	623	623		690	734	781
Motor Vehicle Allowance		280	239	886	354	354	354		433	461	491
Cellphone Allowance		—	—						79	84	89
Housing Allowances		315	260	365	290	290	290		30	32	34
Other benefits and allowances		520	617	86	108	108	108		119	127	135
Payments in lieu of leave		39	28	29	720	369	369		362	385	409
Long service awards		129	219	55	235	235	235		35	37	40
Post-retirement benefit obligations	4			433					143	152	162
sub-total	5	6,982	8,055	10,201	12,544	12,193	12,193	—	13,435	14,295	15,210
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	6,982	8,055	10,201	12,544	12,193	12,193	—	13,435	14,295	15,210
Contributions recognised - capital											
<i>List contributions by contract</i>											
Total Contributions recognised - capital		—	—	—	—	—	—	—	—	—	—
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		2,310	3,643	8,637	3,613	9,000	9,000		7,250	7,613	7,993
Lease amortisation			90								
Capital asset impairment				2,824							
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	2,310	3,733	11,462	3,613	9,000	9,000	—	7,250	7,613	7,993
Bulk purchases											
Electricity Bulk Purchases											
Water Bulk Purchases											
Total bulk purchases	1	—	—	—	—	—	—	—	—	—	—
Transfers and grants											
Cash transfers and grants		674	707	400	1,463	1,313	1,313		775	853	938
Non-cash transfers and grants		—	—	—	—	—	—		—	—	—
Total transfers and grants	1	674	707	400	1,463	1,313	1,313	—	775	853	938
Contracted services											
Insurance				178					250	275	303
Security Services		278	271	269	300	300	300		780	858	944
Hygiene Services									42	46	51
Rental of Office Equipment				42					30	33	36
Internet Fees									45	50	54
Repairs and Maintenance				360					930	1,023	1,125
Operating Lease		146	104		332	302	302		400	440	484
sub-total	1	424	375	849	632	602	602	—	2,477	2,725	2,997

Table 40 MBRR Table SA1 - Supporting detail to budgeted financial performance (continued)

Allocations to organs of state:												
Electricity												
Water												
Sanitation												
Other												
Total contracted services		424	375	849	632	682	682	—	2,477	2,725	2,997	
Other Expenditure By Type												
Collection costs												
Contributions to 'other' provisions												
Consultant fees									300	330	363	
Audit fees			471						1,150	1,265	1,392	
General expenses		295	567	1,186	11,851	13,084	13,084		1,695	1,864	2,051	
Advertising		65	136	126					135	149	163	
Water and Electricity		122	228	183					215	237	260	
Telephone,Faxes and Data		390	421	440					360	396	436	
Transport Cost		346	474	435					400	440	484	
Membership Fees: Municipal Associations		168	18	429					650	715	787	
Gravelling of Access Roads			436	723					800	880	968	
Printing and Stationery		76	89	98					120	132	145	
Staff Training		16	99	413					150	165	182	
Litter Picking and Street Cleaning		267	326	384					425	468	514	
Local Economic Development		144	140	540					700	770	847	
Ward Committee Remunerations		—	—	—	400	400	400		450	495	545	
Accommodation and Travelling		278	271	200					500	550	605	
Subscriptions,Printings and Publications				6					150	165	182	
Grants Expenditure		9,263	4,931	4,308					4,598	3,616	4,074	
Sport and Recreation		263	444	284					250	275	303	
Special Programmes		373	376	383					510	561	617	
Disaster Management		40	33	32					80	88	97	
Public Participation		12	106	159					160	176	194	
Strategic Planning and PMS			4						200	220	242	
Student Support		272	263	299					450	495	545	
Asset less than Capitalisation Threshold									100	110	121	
Cleaning and Garding Services									250	275	303	
Total 'Other' Expenditure		1	12,389	9,831	10,628	12,251	13,484	13,484	—	14,798	14,836	16,416
by Expenditure Item		8										
Employee related costs												
Other materials												
Contracted Services			603	699	723	1,375	1,515	1,515		930	1,043	1,123
Other Expenditure												
Total Repairs and Maintenance Expenditure		9	603	699	723	1,375	1,515	1,515	—	930	1,043	1,123

Table 41MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

KZN215 Ezingoleni - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Executive and Council	Vote 2 - Budget and Treasury Office	Vote 3 - Corporate Services	Vote 4 - Technical and Community Services	Vote 5 - [NAME OF VOTE 5]	Vote 6 - [NAME OF VOTE 6]	Vote 7 - [NAME OF VOTE 7]	Vote 8 - [NAME OF VOTE 8]	Vote 9 - [NAME OF VOTE 9]	Vote 10 - [NAME OF VOTE 10]	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates			3,080														3,080
Property rates - penalties & collection charges																	-
Service charges - electricity revenue																	-
Service charges - water revenue																	-
Service charges - sanitation revenue																	-
Service charges - refuse revenue																	-
Service charges - other																	-
Rental of facilities and equipment					15												15
Interest earned - external investments			1,029		-												1,029
Interest earned - outstanding debtors			55														55
Dividends received																	-
Fines																	-
Licences and permits																	-
Agency services																	-
Other revenue			2	236	62												300
Transfers recognised - operational			37,233		1,864												39,097
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contribution)		-	41,399	236	1,941	-	-	-	-	-	-	-	-	-	-	-	43,576
Expenditure By Type																	
Employee related costs		4,214	3,017	2,830	3,374												13,435
Remuneration of councillors		-	-	3,176	-												3,176
Debt impairment		-	150	-	-												150
Depreciation & asset impairment		-	7,250	-	-												7,250
Finance charges		-	50	-	-												50
Bulk purchases		-	-	-	-												-
Other materials		-	-	-	-												-
Contracted services		-	250	1,697	530												2,477
Transfers and grants		75	-	-	700												775
Other expenditure		3,760	6,079	1,380	3,579												14,798
Loss on disposal of PPE																	-
Total Expenditure		8,049	16,796	9,083	8,183	-	-	-	-	-	-	-	-	-	-	-	42,111
Surplus/(Deficit)		(8,049)	24,603	(8,847)	(6,242)	-	-	-	-	-	-	-	-	-	-	-	1,465
Transfers recognised - capital					13,987												13,987
Contributions recognised - capital																	-
Contributed assets																	-
Surplus/(Deficit) after capital transfers & contributions		(8,049)	24,603	(8,847)	7,745	-	-	-	-	-	-	-	-	-	-	-	15,452

Table 42 MBRR Table SA3 – Supporting detail to Statement of Financial Position

KZN215 Ezingoleni - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

CHANGES IN NET ASSETS - Supporting Table One Supporting Detail to Budgeted Financial Position											
Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
ASSETS											
Call investment deposits	2										
Call deposits < 90 days		9,404	10,591	3,738	16,729	16,729	16,729	16,729	24,790	34,138	43,220
Other current investments > 90 days											
Total Call investment deposits	2	9,404	10,591	3,738	16,729	16,729	16,729	16,729	24,790	34,138	43,220
Consumer debtors	2										
Consumer debtors		151	300	345	205	205	205	205	770	816	865
Less: Provision for debt impairment									(150)	(165)	(182)
Total Consumer debtors	2	151	300	345	205	205	205	205	620	651	683
Debt impairment provision											
Balance at the beginning of the year											
Contributions to the provision											
Bad debts written off											
Balance at end of year		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment (PPE)	3										
PPE at cost/valuation (excl. finance leases)		37,615	65,962	105,917	82,923	123,994	123,994	123,994	139,467	159,003	178,118
Leases recognised as PPE											
Less: Accumulated depreciation	2	6,697	9,885	34,453	16,068	51,417	51,417	51,417	58,667	66,280	74,273
Total Property, plant and equipment (PPE)	2	30,917	56,077	71,464	66,855	72,577	72,577	72,577	80,800	92,723	103,845
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities				27	27						
Total Current liabilities - Borrowing		-	-	27	27	-	-	-	-	-	-
Trade and other payables	2										
Trade and other creditors		2,899	3,175	3,965	1,841	1,841	1,841	1,841	3,923	4,568	4,660
Unspent conditional transfers		13,122	4,492	2,186	159	159	159	159	126	132	359
VAT											
Total Trade and other payables	2	16,021	7,668	6,151	2,000	2,000	2,000	2,000	4,049	4,700	5,019
Non current liabilities - Borrowing	4										
Borrowing											
Finance leases (including PPP asset element)		123	32								
Total Non current liabilities - Borrowing		123	32	-	-	-	-	-	-	-	-
Provisions - non-current											
Retirement benefits		409	219	434	235	235	235	235			
List other major provision items											
Refuse landfill site rehabilitation											
Post Employment Medical Benefit				1,031					1,134	1,248	1,372
Total Provisions - non-current		409	219	1,465	235	235	235	235	1,134	1,248	1,372
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance					92,107	102,198	102,198	102,198			
GRAP adjustments											
Restated balance		-	-	-	92,107	102,198	102,198	102,198	-	-	-
Surplus/(Deficit)		10,286	20,001	11,677	15,774	13,644	13,644	-	15,452	22,354	20,699
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	10,286	20,001	11,677	107,881	115,842	115,842	102,198	15,452	22,354	20,699
Reserves											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	10,286	20,001	11,677	107,881	115,842	115,842	102,198	15,452	22,354	20,699

Table 43 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

KZN215 Ezinqoleni - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2010/11	2011/12	2012/13	Current Year 2013/14	2014/15 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population			47	54	52	53	54	53	54	55	56	57
Females aged 5 - 14			11	11								
Males aged 5 - 14			9	9								
Females aged 15 - 34			8	8								
Males aged 15 - 34			7	7								
Unemployment			30	30	23	24	25	25	26	25	25	25
Monthly household income (no. of households)	1, 12											
No income									1,343	1,370	1,397	1,425
R1 - R1 600									702	716	730	745
R1 601 - R3 200									1,374	1,401	1,429	1,457
R3 201 - R6 400									3,107	3,169	3,232	3,297
R6 401 - R12 800									3,013	3,073	3,134	3,197
R12 801 - R25 600									1,044	1,065	1,086	1,107
R25 601 - R51 200									530	541	552	563
R52 201 - R102 400									243	248	253	258
R102 401 - R204 800									93	95	97	99
R204 801 - R409 600									9	9	9	9
R409 601 - R819 200									8	8	8	8
> R819 200									6	6	6	6
Poverty profiles (no. of households)												
< R2 060 per household per month	13								7197.00			
Insert description	2								1343.00			
Household demographics (000)												
Number of people in municipal area									53	54	55	56
Number of poor people in municipal area									22	23	24	24
Number of households in municipal area									11	13	15	16
Number of poor households in municipal area									9	10	11	12
Definition of poor household (R per month)									<2000			
Housing statistics	3											
Formal									10,646	13,646	13,700	139,300
Informal									826	540	400	400
Total number of households									11,472	14,186	14,100	139,700
Dwellings provided by municipality	4											
Dwellings provided by province/s									3,000	6,000		
Dwellings provided by private sector	5								100			
Total new housing dwellings									3,100	6,000	-	-
Economic	6											
Inflation/inflation outlook (CPI(X))												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

KZN215 Ezinqoleni - Supporting Table SA32 List of external mechanisms

March 2014

Municipal manager's quality certificate



EZINGOLENI MUNICIPALITY

P O BOX 108, IZINGOLWENI, 4260

TEL: 039 534 1574

FAX: 039 534 1585

www.ezingolweni.gov.za

Ref: 6/3/1/1

20 March 2014

The Chief Director: Local Government Budget Analyst
Intergovernmental Relations
National Treasury
Private Bag X115
Pretoria
0001

Dear Sir/Madam

**DRAFT QUALITY CERTIFICATE: EZINGOLENI MUNICIPALITY 2014/15
MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK OF
EZINGOLENI MUNICIPALITY**

Please find the **Draft quality certificate**, as set out in the government gazette,
Number 32141, dated 24 April 2009 of the Ezingolweni Municipality.

I, **Mandla Ngqwebo Mabece**, Municipal Manager of Ezingolweni Municipality,
hereby certify that the **Draft Budget** and supporting documentation have been
prepared in accordance with the Municipal Finance Management Act, the regulations
made under the Act and that the **Draft Budget** and supporting documents are
consistent with the Integrated Development Plan of the Municipality.

Yours faithfully


M N MABECE
MUNICIPAL MANAGER